DOCUMENT RESUME

ED 140 392 95 EA 009 532

AUTHOR	Donaldson, Gordon A., Jr.
TITLE	Education Vouchers in New Hampshire. An Attempt at Free Market Educational Reform.
INSTITUTION	Leinwand (C.M.) Associates, Inc., Newton, Mass.
SPONS AGENCY	National Inst. of Education (DHEW), Washington, D.C.
PUB DATE	Mar 77
CONTRACT	B2C-5331
NOTE	196p.
EDRS PRICE	MF-$0.83 HC-$10.03 Plus Postage.
DESCRIPTORS	*Case Studies; *Educational Finance; *Education Vouchers; Elementary Secondary Education; *Experimental Programs; Federal Programs; Federal State Relationship; Finance Reform; *Program Descriptions; Program Planning
IDENTIFIERS	National Institute of Education; *New Hampshire

ABSTRACT

This report presents a case history of federal and state efforts to encourage voluntary adoption of an experimental educational voucher program by a number of New Hampshire school districts in the mid-1970s. The author traces the path of the "unregulated voucher" concept from its birth in 1969 to its consideration and rejection by New Hampshire citizens in early 1976. The report includes a log of events related to the voucher effort from 1973 to 1976, detailed descriptions of important episodes, and summaries of the thinking behind major decisions and viewpoints. The report is organized in three major parts. Part 1 recounts the setting and major events of the New Hampshire voucher experience. Part 2 analyzes the major issues, decisions, and participant positions that surfaced during the program planning process. Part 3 examines the views of New Hampshire citizens and schoolpeople as the voucher program came to a vote, and presents a retrospective summary of responses to the entire effort to develop and implement an experimental voucher program. (Author/JG)

****
* Documents acquired by ERIC include many informal unpublished *
* materials not available from other sources. ERIC makes every effort *
* to obtain the best copy available. Nevertheless, items of marginal *
* reproducibility are often encountered and this affects the quality *
* of the microfiche and hardcopy reproductions ERIC makes available *
* via the ERIC Document Reproduction Service (EDRS). EDRS is not *
* responsible for the quality of the original document. Reproductions *
* supplied by EDRS are the best that can be made from the original. *
****

ED140392

U S DEPARTMENT OF HEALTH,
EDUCATION & WELFARE
NATIONAL INSTITUTE OF
EDUCATION

THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL NATIONAL INSTITUTE OF EDUCATION POSITION OR POLICY

EDUCATION VOUCHERS IN NEW HAMPSHIRE

AN ATTEMPT AT FREE MARKET EDUCATIONAL REFORM

By Gordon A. Donaldson, Jr.

For the National Institute of Education
Contract # B2C-5331

EA 009 532

C.M. LEINWAND ASSOCIATES • INCORPORATED

C.M. Leinwand Associates, Inc.
430 Lexington Street
Newton, Massachusetts

The research and preparation of this publication were made possible through a contract from the National Institute of Education, Department of Health, Education, and Welfare pursuant to contract no. B2C-5331.

The opinions expressed in this document do not necessarily reflect the position or policy of the National Institute of Education, and no official endorsement by the National Institute of Education should be inferred.

Additional copies can be obtained by writing to:

National Institute of Education
School Finance and Organization Division
Washington, D.C. 20208

PRINTED MARCH 1977

Design/Emily Hiestand

Acknowledgement

The work of an on-site observer and writer demands the aid, tolerance and support of many people. I am grateful to the citizens and educators of New Hampshire who accepted my presence and made room in their schedules for me. Most particularly, the project staffs in Concord and Manchester made my regular coverage of voucher events informed and pleasurable. Robert Cunningham and Elaine Piccini at NIE and Peter Bateman and Maeve McDermott at CSPP deserve my appreciation for their camaraderie and information. I am indebted to the staff at C. M. Leinwand Associates, Inc., for their technical support, and particularly to the clerical help for their patience with the many notes and manuscripts they typed. Finally, to Bill Weber, the Site Historian for East Hartford, I am thankful for sharing the burdens of all stages of my work with humor and a constructive spirit.

Gordon A. Donaldson Jr.

Gordon A. Donaldson, Jr.

Table of Contents

	Page
Acknowledgements	3
Preface	5
Part **I** **Descriptive Background**	9
Chapter **1** **The New Hampshire Site**	11
Historical Context	11
The Idea	13
The Organizational Setting	15
The Six School Districts	19
Chapter **2** **A Chronology of Events: 1973 - 1976**	25
The Inception 3/73 - 12/73	25
Establishing Sites 1/74 - 6/74	30
Requesting Study/Planning Funds 7/74 - 12/74	33
Local Project Begins: A False Start 1/75 - 4/75	35
The Study and Planning Phase 4/75 - 12/75	37
Information Campaigns and District Votes 1/76 - 3/76	39
Part **II** **Issues of Program Planning**	43
Chapter **3** **Points of Decision: Three Instances**	45
Generating a Model: The Feasibility Studies	45
The Role of the Local Project Staff	50
The Parochial Question	54
Chapter **4** **Developing a Design: A Missed Connection**	63
Disagreements over "The Model"	64
Intervention from Above: "Blasting the Project off Dead Center:"	70
Aftermath	76
Chapter **5** **Federal and State Participation: Motives and Effects**	81
The Federal Interest	82
The State Interest	86
The "Facilitators"	90
Part **III** **Endpoints and Interpretations**	95
Chapter **6** **The View from the Communities**	97
Schoolpeople	99
Townspeople	102
The District Votes	108
Chapter **7** **Four Views of New Hampshire Voucher History**	115
The Parents' Rights Views	115
The Anti-Federalist View	116
The Research View	117
The Public Service View	118
Appendices	121

Preface

This report is a case history of federal and state efforts to have educational vouchers voluntarily adopted by New Hampshire school districts in the mid-nineteen-seventies. It includes a log of the events in that three-year experience, detailed descriptions of important episodes, and summaries of the thinking behind major decisions and viewpoints. This document is intended as an instructive record of this effort at experimental educational reform.

The history of vouchers in New Hampshire is the story of how an idea -- the "unregulated voucher" concept -- entered and affected the lives of people who share a concern for the schooling of children in that state. This report traces the path of the unregulated voucher idea as it gained a program life of its own and was presented to New Hampshire citizens. This path began in academia in 1969 and, under federal auspices, passed through the higher reaches of New Hampshire government, through the educational organization, and eventually to local school districts' citizens. On its journey, the concept of the unregulated voucher underwent significant changes as a variety of people sought to make it practicable without destroying its original intent.

This document provides a practical look at the political, ideological, and organizational dimensions of this attempt to move from idea to program. It is written by a nonparticipant observer and emphasizes

the diversity of perspectives and rationales for action that typified the project. The historian's main goal has been to relate in a non-evaluative fashion the events and relationships in a complex experience.

The report is organized in three parts (designated by colored dividers):

I) a recounting of the setting and events;
II) analysis of major issues, decisions, and participant positions in the program planning process;
III) the final views of New Hampshire citizens and schoolpeople as the voucher program went to the vote and a retrospective summary of responses to the entire experience.

Summaries of each chapter are provided at the beginning of each part. Because the three parts involve different levels of analysis and of reporting, they do not necessarily need to be read in the order presented. The four perspectives on the New Hampshire voucher experience presented in Chapter VII, for example, might sharpen an analytic reading of this report if read first.

A NOTE ON THE HISTORIAN'S ROLE

Some explanation of the author's exposure to and role in the site will orient the reader to this document's perspective. Appendix A includes more details of the historian's method and site contacts.

The historian was employed by C. M. Leinwand, Associates, a firm outside the New Hampshire voucher project, in order to obtain an objective, nonparticipant viewpoint on events. The rationale, funding, and authority for the site historian, however, came from the National Institute of Education (NIE), the funding source for the voucher project. The Institute's representatives introduced the author to New Hampshire project personnel and explained that he was to have as much access to project documents and events as possible without interfering with its work. The author's purpose, as it was explained in the site, was simply to keep an ongoing record of "what was happening."

Four major factors shaped the historian's work. First, the historian was hired and came on-site in June of 1975, over two years after the first negotiations for a voucher test in New Hampshire. Consequently, data for this report differ radically for the period before and the period after the historian's entry. Similarly, two kinds of historical research were undertaken: document searches and retrospective interviews for the pre-June 1975 period; and observation, document collection, and

interviews for the post-June 1975 period. This fact made historical analysis much more reconstructive and retrospectively simplified for the early time and much more complex, contextual, and interactional for the later time. Thus, this report will dwell on the two periods in different ways, treating the later period in more detail. The historian's generally open access to participants did, nevertheless, make the collection of data on both periods quite thorough.

Second, the historian's late entry into the site created some difficulties of access. Relationships and patterns of events had been established; as a result, the introduction of an "unobtrusive" observer was virtually impossible in many instances. Participants in the voucher project needed to be educated about the historian's role and to grow accustomed to his presence. For a time in June and July of 1975, the historian's existence on-site was a source of tension between voucher people in New Hampshire and NIE. While most participants complied with NIE's wish that the historian have access to the goings-on of the project, there were cases where information and access to events were "screened" to prevent the historian from getting the "total picture."

In addition, the historian could not attend several small, high-level meetings; a persistent effort to do so would have caused a disturbance and heightened hostility about his role. In general, the historian collected most of his data through personal interviews with participants and, particularly at the local level, through free access to meetings where strategy formulation and decision-making were the central tasks.

Third, several characteristics of the historian and his job definition naturally influenced the data collection. Most significantly, he was hired to work at two-fifths time. Although the historian's schedule was flexible and permitted him to attend most important events in the project, he could not be on-hand all the time. Thus, the historian's judgment potentially influenced data collection as he selected people and events to "cover." In general, he interviewed at least twice all government and project personnel who had an ongoing hand in the project and he attended many local policy-making meetings (see Appendix A). The historian was in New Hampshire on the average of 1-1/2 days per week for eleven months and was in contact with NIE and CSPP biweekly and weekly, respectively.

Aside from time constraints, the historian's exposure to the site was

influenced by his residence in Massachusetts and his association with a Boston consulting firm. Because New Hampshire views itself as a perennial second sister to Massachusetts and, in fact, is somewhat disdainful of "Taxachusetts," the Massachusetts resident coming into New Hampshire carries a stereotype with him. The stereotype is characterized by rural-urban differences: the young man from Boston is at once seen as more sophisticated and better trained than the New Hampshirite, but also as less trustworthy, less knowledgeable about the ways of life and government in New Hampshire, and even unable to capture the true meanings and intentions of people there. However, the historian's previous experience as a teacher in Maine (viewed by some as New Hampshire's second sister), his ongoing legal residence in Maine, and his professional interest in rural communities and schools decreased the distance and increased the trust between himself and participants in the voucher program.

Fourth, the complexity and geographical dispersion of the voucher site made equal access and equal coverage in all segments of the site virtually impossible. Many events in Washington and Concord, for example, could not be directly monitored. Similarly, the historian could not attend every decisive occasion in a school district or in one of the two voucher offices. As a result, most data collection occurred at events involving the Local Project staff.

In sum, this report stresses the local effort to get school districts to study and plan a test of the voucher concept in their schools for the 1976-1977 school year. Insofar as this was the most critical theater of the voucher effort during 1975 and early 1976, it was entirely appropriate that this be the major target for the historian. As the report will demonstrate, access to this level of operation was extensive; the Local Voucher Office staff was most cooperative and helpful throughout.

The historian's free movement through the site gave him ample opportunity to both collect information and to verify it through alternative sources. While historical fact as it appears here may be stated from an unusually distanced perspective (deriving from the historian's non-participant status), it has been validated both at the point of collection and by the pre-publication review of this document by state and federal participants. The author bears responsibility for the interpretation of facts presented in this history. Readers are encouraged to refer to the final reports of the voucher agencies for detailed accounts of the events and perspectives reported here.*

* As of mid-1976, most such reports were available at the School Finance and Organization Division, National Institute of Education, Washington, D.C. 20208.

Part I

Descriptive Background

Chapter 1

Brief statements of the federal and state political climates when the voucher concept "arrived" in New Hampshire; a summary of the concept, as it was introduced to New Hampshire; and an overview of the organizational setting for the voucher test -- federal, state, and local participants.

Chapter 2

A skeletal chronology of events from the federal introduction of the unregulated voucher concept in 1973 to the decisions by New Hampshire school districts not to proceed with implementation in early 1976.

Chapter 1

The New Hampshire Site

HISTORICAL CONTEXT

The conceptual framework for education vouchers dates back to the 18th century and Adam Smith. The idea of providing a direct link between a student and the public monies needed to educate him, thereby making the survival of schools dependent upon the satisfaction of the parent and student, has surfaced repeatedly since Smith's time. Indeed, private education in the United States has operated largely on this system.

The 1960's witnessed a reemergence of this laissez-faire notion on a national level and the first consideration of a voucher system for public schools in recent times.[1] Two distinct ideological camps received most recognition. On one hand, in the spirit of the Great Society, education vouchers were seen as a means of allocating educational resources so that poor people and racial minorities would receive their just financial share and their rightful power over the education of their young. Advocates of this philosophy, such as Christopher Jencks, believed that vouchers should operate as "equalizers" of educational quality and opportunity. The poor and disadvantaged should be compensated for current and previous educational shortcomings with vouchers that were worth more and carried more assurance of fair opportunity than vouchers for mainstream, higher status youth.

1. Education Vouchers: From Theory to Alum Rock, James A. Mecklenburger and Richard W. Hostrop, eds., Homewood, Illinois, Etc. Publications, 1972.

The other principal voucher camp eschewed any tampering with voucher values and educational programs. It advocated a one-voucher-one-child formula which would make public education operate as an "open marketplace" and would assure everyone the same minimum capability to buy an education for his or her child. This notion was set forth most widely in the sixties by Milton Friedman.[2] Using a free-market economic model, Friedman viewed vouchers as a method of assuring all parents an equal foundation on which to make educational demands. The competition of schools for children's vouchers, this notion presumed, would by itself place parents in greater control of education and upgrade the quality of delivered services. This contrasted with the Jencksian prototype, advocating a centralized voucher agency assuring equality of educational supply.

In the decade from 1965 to 1975 in Washington, changes in the national outlook on social change influenced vouchers. As the administration changed hands from the Democrats to the Republicans, federally initiated and funded programs (and, through the Vietnam War and Watergate, federal expertise and power) came under fire. The economic downturn of the early seventies turned national priorities away from high-cost and experimental "fringe" programs and toward more conventional, "meat-and-potatoes" expenditures. As anti-federalist spirit and belt-tightening fiscal thinking rose, even the Federal government grew leery of social experimentation and engineering. Vouchers, some would say, came to the federal barn long after the horse had left.

Over this decade, the State of New Hampshire maintained a largely conservative political posture. Traditionally a Republican bastion, the state witnessed an increase in Democratic officeholders at the state level during the sixties, a trend which some attribute to the rising inmigration of retirees and, especially in the "Southern Tier," of young families who work in Massachusetts but prefer to live in New Hampshire where there is no income tax. Meldrim Thomson, a conservative Republican, was elected governor in 1972 and reelected in 1974. He vigorously asserted an independent, tightfisted style of leadership over state government, which won him national recognition from the conservative side.

In early 1973, vouchers were introduced to New Hampshire at the behest of conservative reformers in Washington and through the office and person of Meldrim Thomson. As will become clear in Chapter II, the early months of the voucher's history in New Hampshire were

2. Milton Friedman, Capitalism and Freedom, Chicago, Illinois, University of Chicago Press, 1962. Chapter 6.

dominated by Thomson's appointee to the Chairmanship of the State Board of Education. This initial Republican patronage for the voucher idea at both federal and state levels precipitated opposition from local and Democratic forces hostile to Thomson. Similarly, Democratic proponents of social reform, still a dominant force in Washington, were to find little ideological common ground with the new voucher program in New Hampshire.

THE IDEA

Much of the history of vouchers in New Hampshire and elsewhere is the story of attempts to translate a theoretical model for voucher use into increasingly practicable forms. The New Hampshire "unregulated" or "free-market" voucher model was characterized, in the field of voucher models, by the following attributes:

1. One voucher certificate whose value is determined by the school district is given to parents for each child of school age. The voucher's value is uniform for all children in any given grade level, although parents may supplement it from their own funds.

2. Parents decide where they will send their children to school, inside or outside the district. In districts where all children are "vouchered," educational programs are financed exclusively by attracting students and cashing those students' vouchers.

3. The education system thus becomes subject to supply and demand principles. Schools, as suppliers of educational services, become dependent on the satisfaction of parents (educational consumers) for their very survival. Parents, holding the fiscal power to demand that education respond to their needs, exercise expanded choice in the selection of educational methods and goals for their children.

4. The variety of educational options, the responsiveness of the supply of educational services to parental demand, becomes subject to the dynamics of the "free market." In the totally unregulated model, all forms of educational supply -- including private sectarian and non-sectarian schools -- are available choices for students. All schools compete with one another for students' vouchers.

5. The quality of schools, like the quality of products on the open market, will rise and fall with the fluctuations of demand. The model assumes a knowledgeable, caring consumership and thus that the

13

"best" schools will survive and that those which are subpar will either "shape up" or go out of business.

This model occupies an extreme position in the field of voucher models conceived by the Center for the Study of Public Policy, the organization contracted by the federal government to study vouchers in 1969.[3] All other models involve regulation by central government or other agencies to ensure against the injury of educational consumers. In particular, other models build in safeguards against socioeconomic or racial segregation by schools, against the disequalization of voucher values by private supplementation, and against the prolongation of current educational inequities. In general, other models do not assume that all children will receive education of good or equal quality if the business of education is run purely on laissez-faire principles.

While the crisp theoretical notion of the "pure education voucher" had a prominent place in the history of vouchers in New Hampshire, it is important to recognize that the unregulated concept, when it was proposed in the state, had already undergone important change. Vouchers were introduced to New Hampshire as an experimental program; the purpose of considering their implementation was to "test" the unregulated model.[4] The "test" was to last from five to seven years and federal agencies were concerned that there be no permanent negative effects.

Irrespective of voucher theory, then, the federal government was obliged to impose several conditions on the New Hampshire test because it was a social experiment. These conditions had the effect of imposing some central regulation on the unregulated test. Specifically, the federal government demanded that a New Hampshire voucher effort control for:

a) The segregation of schools. Federal agencies insisted that no participating school district be allowed to violate Title VI of the Civil Rights Act of 1974 (i.e., that no one is discriminated against on the grounds of race, color, or national origin in the exercise of their voucher);

b) The concentration of low ability, low achieving, or minority children in greater numbers than existed before the test in any participating school;

c) Loss of employment (teachers who might have been displaced from

3. Education Vouchers: A Report on Financing Elementary Education by Grants to Parents, Cambridge, Massachusetts, Center for the Study of Public Policy, December 1970.
4. It was, however, never clear what was to be "tested."

their jobs because a school lost students as they took vouchers to other schools).

As will become evident, the federal scheme of offering an "incentive grant" to participating districts further influenced the purity of the unregulated experiment by reducing participating schools' liability to the financial consequences of parental choice.

THE ORGANIZATIONAL SETTING

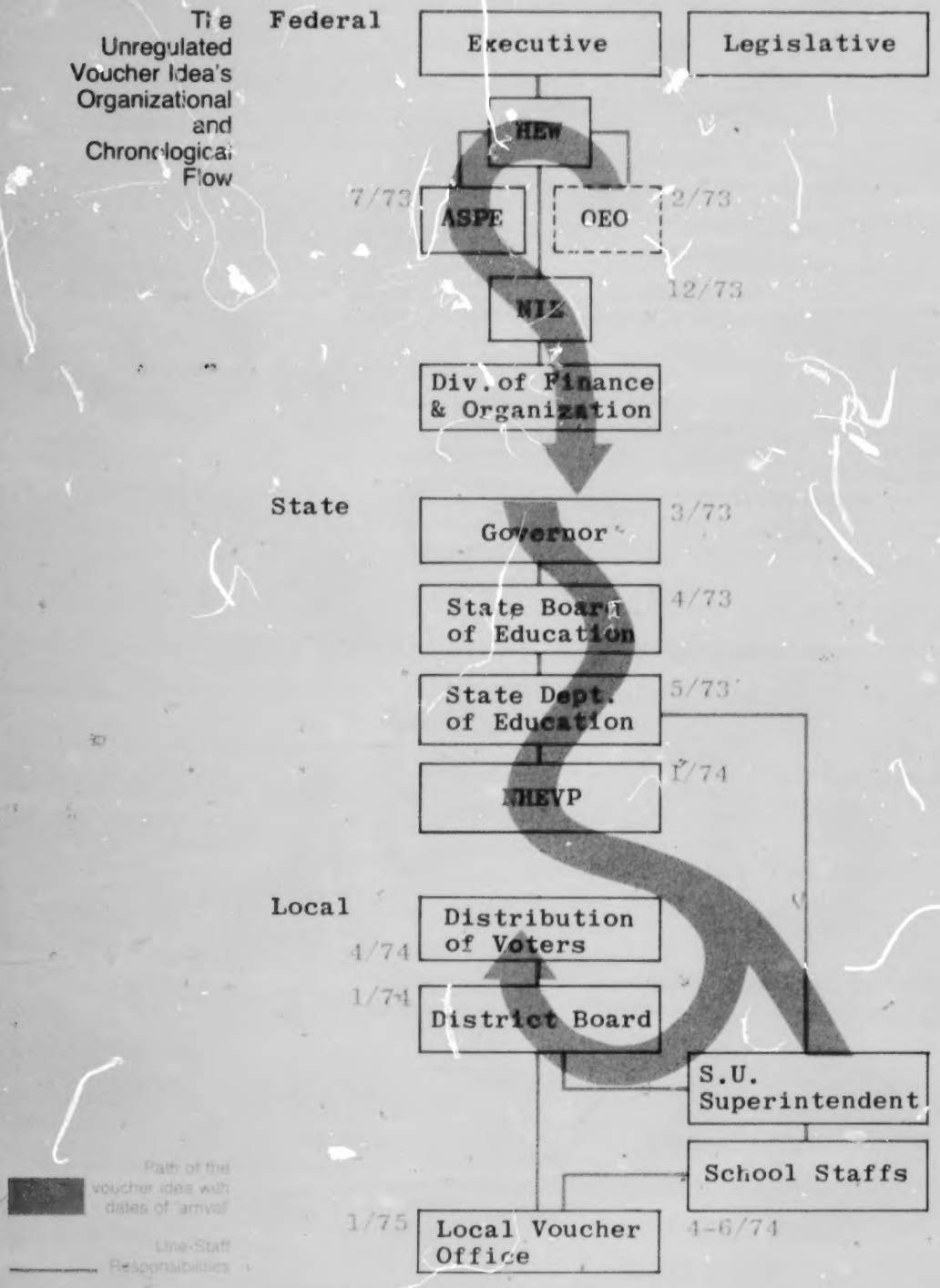
Between 1973 and 1976, numerous agencies and populations considered and shaped the voucher concept as it wound its course toward a final decision on implementation. First supported at the federal level, it was jointly presented to local districts in New Hampshire by a federal agency and the state's governor. Once the idea had a toehold as a "project" in New Hampshire, it nurtured a field of program staff and consultants. At several crucial points, including the final decisive months in 1976, the voucher idea became a local school and community issue. The following pages sketch the organizational framework of this entire "voucher site." The chart on the following page summarizes this picture and includes a chronological overview of the project's historical movement.

Three agencies provided federal proprietorship over the New Hampshire test at different times. A voucher experiment was first proposed to New Hampshire by the Office of Economic Opportunity's Office of Program Review in March of 1973. Conservatives in this office, although inexperienced with vouchers, singlehandedly introduced the notion to New Hampshire. Anxious to initiate a conservative reform, they avoided OEO's more liberal Voucher Office for fear the conservative test would vegetate and die in the climate of that office.

In late June of 1973, during the last days of the OEO, the New Hampshire project was transferred to the office of HEW's Assistant Secretary for Planning and Evaluation (ASPE). The project's separation from other voucher efforts was thus maintained as the OEO Voucher Office moved to the newly organized National Institute of Education. In December of 1973, however, for reasons which will become apparent, New Hampshire vouchers did become the administrative responsibility of NIE's School Finance and Organization Division (the resting place of other federal voucher projects).

4. (continued) Some NIE staff saw the study/planning process as a test of the concept. Others believed the test would begin only after vouchers were implemented.

The Unregulated Voucher Idea's Organizational and Chronological Flow



16

The National Institute of Education was established in 1972 by Congress as a federally financed educational research center under the jurisdiction of the Secretary of Health, Education, and Welfare. Its School Finance and Organization Division has specific responsibility for the "expansion of knowledge" in the area of supporting and delivering educational services. Only two of the staff of eight in this division devoted their efforts exclusively to vouchers. One of these was the Project Monitor for the New Hampshire site, the regular liaison for project staff in the state. Besides this person, the director and a Project Officer for New Hampshire had part-time contacts with the state and local levels of the project. Over their two year period of supervision, the amount of time and effort devoted to vouchers by the division steadily decreased, according to the director.

The initial link to the state came through a conservative network which included members of the Nixon Administration and the Governor of New Hampshire. When OEO approached him with the voucher idea in early 1973, the Governor immediately involved the Chairman of the State Board of Education (SBE), a fellow conservative whom he had recently appointed to this top lay position in the state's educational structure. The Chairman played a key role in negotiating federal funding and in advancing the possibilities of a voucher test in New Hampshire. In particular, he made a place for a voucher office at the State Department of Education (SDE), the central state education agency. The Department, headed by the Commissioner, is governed by the State Board of Education; its principal function is monitoring educational practice and aiding local districts as they request assistance. The State Department has no significant financial or legal powers over local educational services, however.

Education vouchers were the specific responsibility of the New Hampshire Education Voucher Project (NHEVP) at the state level. Established in January, 1974 by a grant from NIE, this office carried the bulk of voucher activities in the state between this date and January 1975 when the "Local Office" was set up. Staffed by one or two persons and housed in State Department of Education quarters in Concord, the State Project (as it came to be called) was officially the responsibility of the Commissioner. The Chairman of the State Board, however, was regularly consulted and informed of events by the State Project Director through most of the voucher's history.

Federal and state efforts included the work of two major consultants --

the Center for the Study of Public Policy and an economics professor at Dartmouth. The Center received federal funds initially to develop voucher theory and later to provide on-site "technical assistance." Field representatives from the Cambridge firm spent more time on-site and had greater contact with New Hampshire participants than did NIE's Voucher Office. The Professor consulted to the Chairman, initially, then acted as a paid consultant to the state and local project offices. His training in economics, his experience as a legislator in New Hampshire, and his convictions about education were to have considerable impact on the development of a model and on the project's political life.

The introduction of vouchers to the local level in New Hampshire was accomplished through various efforts, including at one point or another most of the people and agencies named above. The Chairman and Governor generally supervised a public informational campaign on the voucher test in 1973. During 1974, the State Project Office (NHEVP) orchestrated personal appearances by state personnel at public informational meetings in towns. The Commissioner solicited interest for the program from local superintendents through his professional and departmental networks.

The major effort at generating local interest for a voucher system came during 1975 and early 1976. For purposes of mounting this effort, the State Department received a grant from NIE to set up a "local study/planning office." Established in Manchester in February of 1975, this "Local Project Office" was to work directly with school superintendents, school staffs, local school boards, and citizens to plan the implementation of the voucher system and to study its possible effects. The Local Office remained in existence through April 15, 1976, by which time the voucher issue in New Hampshire was settled.

In New Hampshire, a town's voters make up a "School District," which has primary fiscal and policy jurisdiction over the town's educational services. Most often, districts contain one or several elementary or middle schools. High schools are either regionalized or, in the larger towns, self-contained within a district. The town's voters assemble at least annually at a District Meeting and, in the fashion of a Town Meeting, decide budgetary, programmatic, and construction matters for their schools.[5] A District School Board is elected to meet at least monthly to conduct the policy and lay administrative business of the district.

[5] Public funds for education are raised largely within the local district. Districts can easily disregard state initiated suggestions such as vouchers when the state only picks up 10% of the school bill.

Professional guardianship over the schools within School Districts is the responsibility of a school superintendent. As in most rural states, superintending services are shared by districts; most New Hampshire districts belong to a Supervisory Union, the administrative unit for employment, budgetary, and program executing functions. A school superintendent, in most cases, is jointly hired by the District School Boards of the districts in a Union. The superintendent essentially works for a number of separate town interests. Because the superintendent's office is located in only one district in a Union, the principal(s) of local schools are frequently the primary professional links to the community.

Altogether, eight New Hampshire districts officially took part in the voucher project between 1974 and early 1976. Two of these, Brookline and Amherst, were among the seven districts whose voters elected to join the local study in the Spring of 1974. These two, however, dropped out of the study by vote of their District Meetings in March, 1975, before the Local project got under way. A third district, Salem, did not officially become a site until January, 1976. Together with Allenstown, Deerfield, Candia, Hooksett, and Hollis, Salem made up what will be called "the final six" voucher districts in New Hampshire.

As the map shows, the eight districts fell into three distinct units, all within forty miles of one another in the "Southern Tier" of the state. In what was originally called Site A, Allenstown and Deerfield shared a superintendent as members of Supervisory Union #53. Also a part of this site of four, Candia and Hooksett shared the superintendent of Supervisory Union #15. In the original Site B, the three towns of Hollis, Brookline and Amherst were the three districts in Union #41, the official grantee for the local study/planning grant. The withdrawal of the latter two districts early in the Local Project's days seriously undercut the possibility that Hollis could become a practicing voucher site and appears to have divided Union #41's superintendent's interests in the project. Salem, the largest of the eight districts, is a Union unto itself and also stood apart geographically from the original multi-district sites.

THE SIX SCHOOL DISTRICTS

The following pages provide an overview of the final six voucher districts. The reader wishing a more detailed description of each town and of its schools is directed to Appendix C.

All six districts have experienced the population boom which had made New Hampshire, and particularly southern New Hampshire, one of the

fastest growing parts of the country in recent years. While the state's population increased by 21.5% during the sixties, growth at least doubled that rate in all voucher districts but Candia. This unusually high growth rate has brought with it the development of land, a rise in property taxes, and the infusion of a more mobile and affluent element into town memberships.

During the sixties, the proportion of school-aged children (5-14) in these districts doubled. Pressures on space and budgets and rising expectations for school performance encouraged some of these districts to consider vouchers as a means of making education more efficient and of better quality (see Chapter VI). All districts but Candia and Allenstown have undertaken school construction in the past five years.

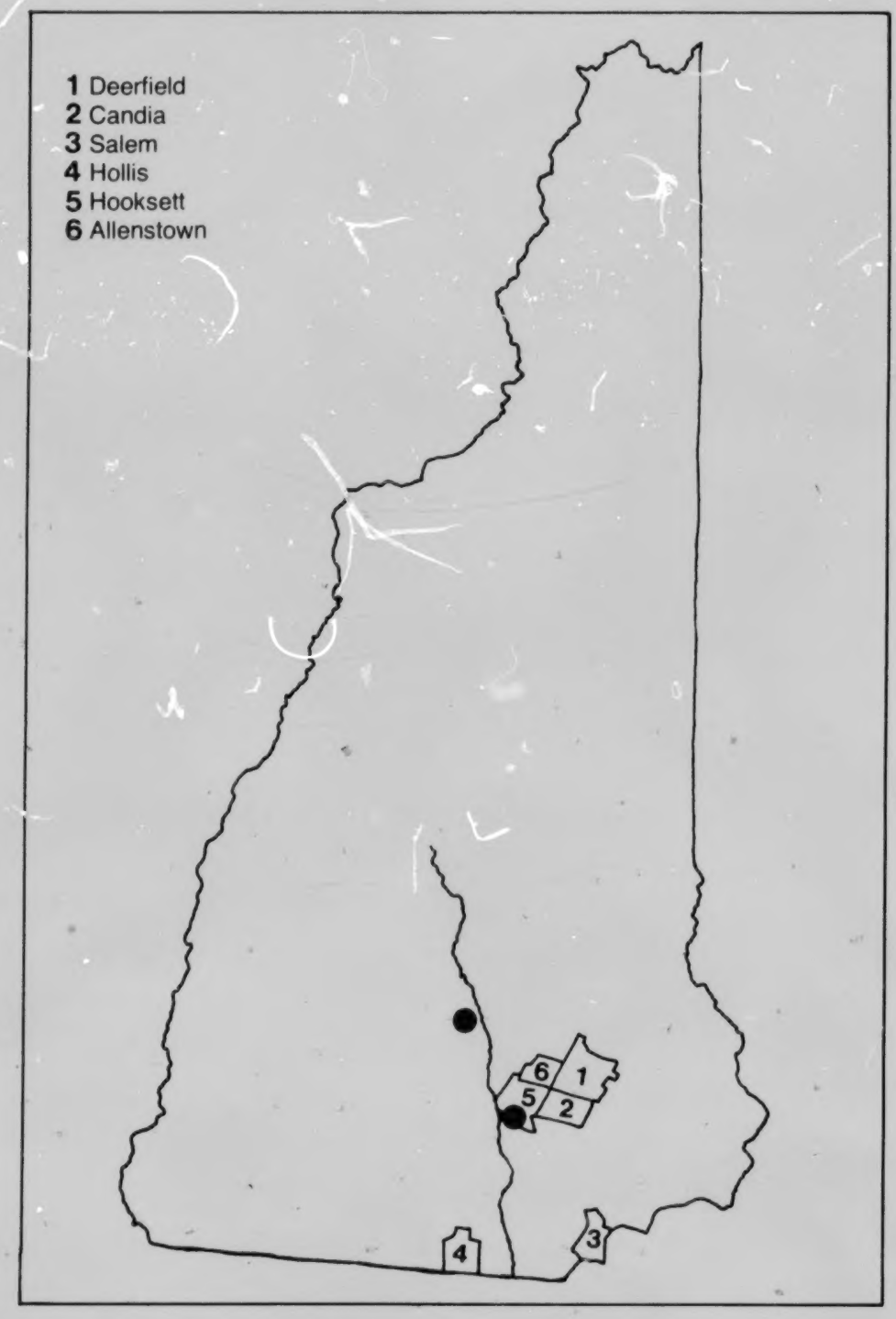
All six districts employ a Town Meeting form of local government but have rendered community decision-making increasingly to committee and bureaucratic process in recent years (five towns, for example, have adopted a Municipal Budget Committee system of town and school budget preparation). Similarly, in all districts but Salem, school management is regionalized. These developments have led some citizens to believe that control over their children's education and their community's affairs has steadily decreased.

Differences among the voucher districts divide them into two general types. The southernmost towns of Salem and Hollis grew substantially faster than the four northern towns over past decades. Much of this growth is attributed by New Hampshirites to an inmigration of families with school-age children from Massachusetts. Changes in these two towns as well as in Hooksett have been in the direction of suburbanization. Housing developments, a higher median income, and a growing number of commuters to Manchester and Massachusetts mark these three larger towns' development more than the other three.

Candia and Deerfield, the most "rural" of the districts, and Allenstown, a struggling mill town, generally contain less skilled, lower income, and less mobile people than the above three towns. Allenstown shows a substantial growth in trailer settlements and is the only town to contain a sizable ethnic population, the French-Americans. Deerfield, the smallest and least densely populated district, appears to have experienced the most sizable influx of well-to-do retirees (drawn to the town by its quiet, picturesque, New England landscape). Candia appears quite rural, but its proximity to commuting routes has led to a recent influx of young professional families with children.

20

New Hampshire
Voucher
Districts



21

The charts on the following pages summarize statistically the six districts with special emphasis on population trends and on school attendance and facility patterns. In examining these charts, the reader should keep in mind that participation in the voucher program was viewed in some districts as an antidote to school crowding and as a means of easing the burden of private and parochial tuitions on families who chose non-public schools for their children.

22

POPULATION AND SCHOOL ENROLLMENT
SIX VOUCHER DISTRICTS AND STATE

Town	1970 Pop.	% Change in Pop. '60 - '70	% Change 5-14 year olds '60 - '70	Median income 1970	Publicly Financed Stud., 1975-76	Enrolled in Paroch. Schools 1975-76	Enrolled in Private, Non-Paroch. Sch'l, '75-6
Allenstown	2732	52.7%	221%	$9622	830	31 (1.3%)[1]	26 (3.1%)[1]
Candia	1991	34.0%	140% est.	$9520	597	9 (1.5%)	9 (1.5%)
Deerfield	1178	65.0%	180% est	$10196	409	0 (0%)	12 (2.9%)
Hooksett	3564	49.9%	194%	$10456	1406	92 (6.5%)	72 (5.1%)
Hollis	2616	52.1%	187%	$10549	959	25 (2.6%)	14 (1.4%)
Salem	20142	118.7%	365%	$10403	5422	400 (6.1%)	68 (1.3%)
New Hampshire	737681	21.5%	28.2%	$9648	176947	10804[2] (6.1%)	1040[3] (0.6%)

[1] As a percent of publicly financed students.

[2] Estimated at 95% of total parochial enrollment.

[3] Estimated at 20% of total non-public, non-parochial enrollment.

Sources: Bureau of the Census, "General Characteristics of the Population: New Hampshire," 1960, 1970, New Hampshire State Department of Education, Office of

PUBLIC AND OTHER EDUCATIONAL FACILITIES
SIX VOUCHER DISTRICTS

Town	Public Facilities/Arrangements	Other Facilities Within District
Allenstown	1 Elementary School (1-5) 1 Middle School (6-8) All secondary students must attend a neighboring high school (Pembroke Ac.)	1 Private, Special Education Center
Candia	1 Elementary School (1-8) Secondary students chose between 2 high schools outside Candia in 1975-6	None
Deerfield	1 Elementary School (1-8) Secondary students chose among 7 high schools outside Deerfield in 1975-6	None
Hooksett	2 Elementary Schools (1-6) 1 Junior High (7 & 8) Secondary students chose among 3 high schools outside Hooksett in 1975-6 (large majority attending Manchester)	None
Hollis	1 Elementary School (1-5) 1 Middle School (6-8) Serving Brookline 1 High School students too	None
Salem	8 Elementary Schools 1 Junior High (7 & 8) 1 High School (accepts small numbers of students from nearby towns)	1 1-8 Parochial School of 342 in 1975-6

Note: The first four districts had contractual agreements (called AREA agreements) of varying terms with neighboring districts for secondary students. These districts paid the tuition and transportation to high school.

The New Hampshire Site

Chapter 2

A Chronology of Events 73-76

This chapter records the sequence of events in New Hampshire's three year voucher experience. The reader will find the chapter a "history" in the most elementary sense. It logs early efforts in the site to build acceptance for the voucher concept, covers a series of attempts to have local districts voluntarily choose to study the idea, and finally details the work of the Local Voucher Office as it moved to have the final six districts vote to enter the test. This reconstruction of history minimizes substantive discussion of issues and participants' views, leaving such detail to Chapters III through VII.

THE INCEPTION 3/73 - 12/73

The Office of Economic Opportunity, in 1969, funded CSPP to formulate program possibilities for an education voucher "demonstration." The Center examined "a wide variety of possible voucher systems," considered the potential difficulties of each, and proposed a 5 to 8 year demonstration project model for OEO to use in testing education vouchers in an actual site.

CSPP concluded that "certain kinds of voucher systems might substantially improve the education of elementary school children, especially the disadvantaged."[1] The Center proceeded to recommend for demonstration purposes "a compensatory voucher program,...a partial

1. Education Vouchers: A Report on Financing Elementary Education by Grants to Parents, December, 1970 (Cambridge, Mass.) p. viii. This document was popularly known as "The Blue Book."

lottery for admissions, and...mechanisms aiding parental choice."[2] They further recommended that the demonstration involve a heterogeneous population with regard to social class and race and that it be conducted within one municipality at the elementary level. A demonstration was to "include about 12,000 eligible children."

As the voucher idea gained exposure in OEO's Office of Program Research and Evaluation in 1969-1970, this general model and CSPP's preliminary study -- presented in what came to be known as "The Blue Book" -- became the "gospel" on voucher theory there. Proposals for conducting voucher "tests" in schools were measured against the above characteristics of a large, heterogeneous, compensatory voucher test. The first demonstration of a voucher system in Alum Rock, California came to fruition largely through the efforts of one Blue Book contributor, Joel Levin. In the early years of federal engagement with vouchers, an unregulated voucher test in a series of small, rural towns remained beyond anyone's imagination and interest.

By early 1973, when President Nixon nominated Howard Phillips to the directorship of OEO for purposes of "dismantling" the agency, conservative Republicans in OEO became concerned that no potential voucher test represented the "unregulated" voucher model. Several agents of OEO contacted the Governor of New Hampshire to rectify this imbalance. With a conservative Governor of national reputation, a heritage of stubborn Yankee independence, and the distinction of being the only remaining state without an income tax, it seems that New Hampshire presented a likely prospect for an "unregulated" or "free-market" version of education vouchers.

After several phone contacts with the Governor and the Chairman of New Hampshire's State Board of Education (Thomson appointee), OEO personnel came to the state to discuss the idea on April 12, 1973. By the 18th of the same month, the Chairman had formally proposed a free-market voucher program to the State Board. The State Board approved the idea by a 4-3 vote, thus clearing the way to request the funds OEO had promised for an organizing effort.

The Chairman turned his efforts to conceptualizing "a voucher system" for the state. Bypassing a somewhat reticent State Department of Education (the Commissioner and his staff were reputedly embroiled in legislative work), the Chairman turned to several economists for counsel. One of these was the Dartmouth professor; the other was Milton Friedman.

2. Education Vouchers: A Report on Financing Elementary Education by Grants to Parents, p. 115.

After consultation with these two, the Chairman and the Dartmouth Professor submitted a brief proposal to the NH Governor and Council, a prerequisite to requesting federal funds for any state-run agency. Governor and Council unanimously approved "a voucher test" on May 17, 1973 and a proposal for initial funds was sent to OEO. The Chairman began to publicize the idea, announcing that a voucher program, financed heavily by the federal government, might be implemented as early as September of 1973.

By June 1, a contract had been approved for the initial steps of a voucher study in New Hampshire. Two members of Howard Phillips's Office of Program Review came to Concord and established a "Voucher Task Force" consisting of themselves and, on a part-time basis, several employees of the State Department of Education. This task force began work establishing an office, conducting a survey of communities in New Hampshire and of their receptivity to the voucher idea, and preparing in detail an unregulated voucher model. The immediate goal of this group was to publicize the idea and to produce a "Feasibility Study" to pave the way for an actual test of the unregulated voucher system.

In Washington, OEO personnel who championed the conservative test in New Hampshire were concerned for the survival of the project once OEO ended. The existing contract assured the project's existence through the production of a Feasibility Study. To secure a more lengthy future, these OEO advocates of the New Hampshire test arranged to have responsibility for the test transferred not with other voucher programs to the Voucher Office at NIE but to the office of HEW's Assistant Secretary for Planning and Evaluation (ASPE). Although ASPE staff had no experience with vouchers, the top of the HEW hierarchy could, advocates felt, protect the Republican-backed voucher test.

The New Hampshire project was a sore point for the liberals who dominated the Voucher Office at OEO and later at NIE. Irked by conservatives' attempts to avoid them, Voucher Office staff became even less inclined to support what they (and from the very beginning, CSPP) saw as a low priority and possibly damaging program. When the Feasibility Study arrived in Washington in late August of 1973, both ASPE and NIE rejected it. While ASPE found organizational and technical fault with the document, persons at NIE called in to review the study apparently differed with it on ideological grounds as well (see Chapter III, section 1).

The Feasibility Study had, in the Chairman's view, "been thrown together" by the Task Force -- a disparate group of people formed only two months prior to the Study's publication. The NH State Board of Education had approved the Study on August 14 by a vote of 4-2. Although the Chairman had visited the Secretary of HEW and the Assistant Secretary to "clear the way" for the Study's approval, ASPE and NIE had not been consulted during the Study's preparation. NIE and ASPE's rejection of the Feasibility Study was the first of many setbacks experienced by New Hampshire voucher personnel in Washington.

The Feasibility Study setback signaled the first detailed consideration of a conservative voucher test by NIE and ASPE. In early September, ASPE arranged a three-day tour of a variety of offices and bureaus in New Hampshire by ASPE and NIE personnel. On the 10th, a meeting brought members of all state and federal offices together in Concord to discuss both the model that the Feasibility Study had advanced and the revisions that would be necessary for the acceptance of the Study. Attending were two NIE representatives, two ASPE representatives, the Chairman, the Commissioner, the Professor, Task Force personnel, and the Director of the Center for the Study of Public Policy.

The meeting, by most reports, accomplished little. The participants agreed that a revision was worthwhile, however, and the following months saw repeated efforts by the Professor, the Chairman, NIE, ASPE, and CSPP to delineate the areas where the model and site study needed improvement. While the single ASPE staffer pressed for less federal financing in the study's proposed program, NIE and CSPP questioned the entire concept of a free-market, rural demonstration. Political momentum, at this point, rode with the program as the Chairman pressed at HEW and the White House for federal approval.

Much of the debate surrounding the New Hampshire model in Washington involved a return in thinking to the original board perspective of the Blue Book. Between 1969 and 1973, those who had become most involved with vouchers in OEO and then NIE had worked almost exclusively with urban sites considering the regulated, compensatory model. The original idea of supporting a variety of voucher demonstrations put forth in the Blue Book was apparently eclipsed in this atmosphere. According to one official of the Voucher Office (at OEO and later at NIE), a largely liberal, social reformist spirit did indeed govern ideology in that office. The Voucher Office considered the Blue Book "our bible," and the regulated compensatory model it recommended was "the only

model that made sense to us."

These circumstances set the stage for a dramatic meeting at NIE in the Fall of 1973 at which the Director of CSPP advocated the conservative test. Viewed by the Voucher Office as a sensitive, intelligent liberal, the Director was a respected man and a deeply committed voucher proponent. His support of "the New Hampshire model" stunned the Voucher Office and at the end of a long meeting, won New Hampshire vouchers a tentative place at NIE.

On the heels of this meeting and several marathon work sessions, the Professor and the Director of CSPP produced a revised Feasibility Study. With the OEO contract extended to ASPE's jurisdiction and OEO out of the picture, OEO personnel had departed New Hampshire in August, leaving the project office and the project itself in the hands of the Chairman. To expedite the revision process, the Chairman on one hand and the federal agencies on the other had agreed to have the Director of CSPP and the Professor handle that task. Federal-state collaboration through trusted representatives -- CSPP and the Professor -- was to become the major vehicle for bringing together ideologically and politically diverse participants in the voucher site in order to move forward.

The revisions in the Feasibility Study were perhaps less important than was the increased receptivity to a "conservative" voucher test at NIE. Much of the language was simplified, the model was made even starker as a "pure," free-market plan for financing education, and federal, state, and local responsibilities were clarified. With the acceptance of the Revised Feasibility Study by the State Board on November 14, 1973, and with NIE's approval prepared by CSPP's Director, the New Hampshire voucher project's conceptual framework was formalized.

In December of 1973, the Professor, the Chairman and CSPP personnel turned their efforts to the planning strategy outlined at the end of the Feasibility Study. Meetings were held with the NH Attorney General to prepare permissive legislation for the voucher test and with NIE and ASPE staff to detail the funding of a planning effort in the state. Late in the month, federal administrative responsibility for the test was officially transferred to NIE's Voucher Office (later called the Division of School Finance and Organization).

ESTABLISHING SITES 1/74 - 6/74

New Hampshire's Department of Education received a grant of $88,227 on January 14, 1974 to finance an office and staff for the New Hampshire Education Voucher Project (NHEVP or the "State Project Office"). The State Project's major tasks were: 1) to seek candidate communities for participation in the study and planning of a voucher system according to the Revised Feasibility Study; 2) to carry out such a search through a process of "informed consent" designed to make a community's participation voluntary and knowledgeable; 3) to produce a proposal to NIE for funds to study and plan a voucher system in the communities which agreed to participate; and 4) to prepare legislation to permit a voucher system to operate in public schools. The awarding of the grant initiated the most active period of the State Voucher Office's life.

Although funds had been granted to the State Department of Education, the Chairman of the State Board appointed a Site Selection Committee and sent out the first public and private solicitations for participation to every school district in the state. By February 20, the Commissioner of Education -- the official steward of the grant -- had appointed a Director and an Assistant Director for the NHEVP office. Efforts to prepare enabling legislation began under the advice of the Attorney General's office; it was expected that such legislation would be submitted to the Legislature by October of 1974. In public announcements about the project, September, 1975 was the new target date for proceeding with the voucher system.

The period from late February to late May 1974 was one of great activity and public prominence for vouchers in New Hampshire. During this time, the voucher staff, the Chairman, Commissioner, and Deputy Commissioner, the Professor and representatives of organizations opposed to the voucher test spoke, in varying combinations, to school boards and the public in districts showing interest in joining the test. In all, thirty-one districts and/or school boards voted on whether to apply for participation in the study/planning phase.

This flurry of activity saw the emergence of the New Hampshire Education Association, the state affiliate of the NEA, as the principal vocal opponent of the voucher test. Although other groups such as the NH School Boards Association, the NH Council of Churches, the NH Parent-Teachers Association and the NH Association of Student Councils publicly opposed the test, the NHEA spoke out at every public hearing on

ouchers and rallied opposition among teachers in the districts where votes took place. Most opposing arguments claimed the pure voucher would make schools socio-economically homogeneous, permit the rise of substandard institutions, and lead to the decline of public education.

Support for the voucher test came from several ad hoc citizens' groups and established organizations. Significant among these was the Roman Catholic Archdiocese of Manchester and its satellite citizens' group, NH Citizens for The Pure Voucher. Although the Catholic Church stood to gain if the New Hampshire model was implemented, neither the Archdiocesan Superintendent nor the Citizens for The Pure Voucher took an explicitly sectarian stand for vouchers. In fact, the Citizens for The Pure Voucher was not solely a Catholic organization. It included, like the Citizens Committee to Study the Voucher, a number of liberal Protestants as well as Catholics of all political persuasions. These groups, among other things, favored the test as a goad to the slow-moving public schools in their towns. No citizens' group, however, sustained itself beyond this early period of public information in 1974; only in bringing Amherst and Brookline into the test for a period did any group's efforts yield concrete results.

In accordance with the "informed consent" criteria for participation, each community held public meetings at which all sides of the voucher test were explored. The news media reported similarly balanced views on the voucher, as most newspapers in southern New Hampshire covered the project. By many reports, the public information on vouchers in early 1974 was extensive but confusing. Spokesmen differed from town to town and the inclusion of the NHEA at most presentations created an ongoing debate that often left uninformed citizens in the cold. The details of the "voucher system," furthermore, remained unclear, causing misunderstandings and, later on, unfulfilled promises.

Of those districts that voted on vouchers, seven presented a positive decision to the NHEVP. Beginning with Candia's 55-5 vote on April 17, five districts voted affirmatively in the ensuing weeks. Eager to have at least 6,000 students involved (in order to meet federal research guidelines), New Hampshire officials worked unusually hard to bring in larger districts such as Salem, Berlin, and Nashua. When the Berlin and Nashua boards rejected the idea and when Salem teachers apparently rallied a substantial vote against vouchers at the district meeting, this possibility evaporated.

With positive returns from five small districts and uncertain prospects

ahead for the voucher idea, NHEVP, the Professor, and the Chairman extended the deadline for application by districts from April 30 to June 15. At the same time, the failure to muster support in the larger districts, some personal miscues, and criticism from the State Department of Education and the districts brought the Director of NHEVP under pressure to improve his performance. On May 16, after most negative votes had been publicly reported, the Director resigned. Although it is difficult to gauge the effects of the man's administration in retrospect, it appears that many of those who supported vouchers took new hope upon his departure.

Between May 16, when the Assistant Director, the Professor and the Chairman began a new foray into several communities, and June 5, two more small districts (Brookline and Deerfield) voted to join. All told, twelve districts voted down participation in the voucher study at the District Meeting; in ten others, the school board defeated the idea before it reached the district voters; two districts never registered any sort of vote; and seven voted positively. Interestingly, two of the affirmative seven (Brookline and Amherst) saw the voucher study turned down by their school boards, only to have it brought before a special District Meeting by citizen petition.

In most cases, the district votes did not include a large number of citizens. Among the seven affirmative districts, roughly three percent of the voters turned out. The study was tenuously approved in two of the larger districts (Allenstown, 15-12 and Hooksett, 43-40) and in smaller Deerfield and Brookline (28-22 and 15-5 respectively). It carried by 55-5 in Candia, 124-41 in Amherst, and 63-32 in Hollis (the margin in these latter two was apparently the result of citizen mobilization by voucher advocates). Several of the large districts which turned down the idea did so by fairly narrow margins (Salem, 139-100; Berlin, 557-520).

On June 10, the Site Selection Committee recommended the seven districts to the State Board. The districts fell into two groups with the districts in each group being contiguous. In the northern group, or site A, were Allenstown, Deerfield, Candia and Hooksett. Approximately 25 miles south were Hollis, Brookline and Amherst, site B. Although only Hollis had its own high school, the voucher study for these sites was to include both elementary and secondary students.

REQUESTING STUDY/PLANNING FUNDS: 7/74 - 12/74

On June 19, the State Board voted to proceed with the seven districts and with a proposal for study/planning funds. In spite of a general feeling in the press that vouchers had received a serious setback at District Meetings, the Chairman and the Professor, especially, were eager to see the idea through a fair test in New Hampshire. The Commissioner, CSPP, and NIE had agreed to press forward at a May 21 meeting, despite some reservations. The paucity of voucher tests in the country, the uniqueness of the New Hampshire voucher effort, and the political support for the program in New Hampshire apparently tipped the balance in favor of proceeding where the total voucher population made its research value marginal and where the "informed consent" was so slim. While the districts were apparently not ideal by anyone's criteria, they were technically willing districts.

In late June, a small team from NIE, CSPP and the NHEVP met with each of the seven boards. The team emphasized to each board the procedures for moving toward the test: application for a study/planning grant, execution of the study and planning tasks, and voting permission in the districts to move into the voucher system on a test basis.

On July 10, "A Proposal to Fund the Study and Planning of the Education Voucher System in New Hampshire" was submitted to NIE. The proposal had been prepared by NHEVP with help from CSPP but was basically a pro forma application according to NIE specifications. It documented the self-selection of sites and testified to the willingness of the seven districts to study and plan for the implementation of vouchers in the Fall of 1975. The grant, in part, was to create a "local voucher office" to execute and coordinate study and planning efforts at the district level. The administrative shift away from the State Office and Concord had apparently been suggested by CSPP and the Professor over the recommendations of the State Voucher Director. This shift was intended not only to advance local, independent interests in generating support and a design for a test but also to dissociate the new voucher effort from the "bungling image" of the NHEVP office.

Most officials in New Hampshire who were involved with vouchers expected a rapid and successful turn-around for the proposal in Washington. NIE had offered their support of the program and there seemed little possibility the project might not receive funds. In keeping

with this expectation, the superintendents of the three Supervisory Unions into whose jurisdiction the seven voucher districts fell began advertising and interviewing for a Local Project Director in August. A director was officially chosen and announced on September 9, despite the fact that the proposal had not been approved.

Simultaneously, indications from Washington made funding appear more and more questionable. NIE's entire budget was held up in the Senate Education Subcommittee. The efforts of NIE voucher staff turned largely to winning legislative battles for the Institute's survival or to maintaining the voucher project's "cut" of the budget within the Institute. The Chairman and the Professor made efforts to lobby for NIE and vouchers, the former reputedly using conservative contacts in the White House to create pressure on HEW Secretary Weinberger to voice public support for the voucher test. Senator Norris Cotton, a senior Republican on the Education Subcommittee, also acted as a spearhead within his own circles at the behest of prominent constituents in his home state of New Hampshire.

Two or three months slipped by in the Fall of 1974 without any substantive action on vouchers in New Hampshire because of NIE's budgetary uncertainty. The newly appointed Local Director worked as a consultant to the State Project for three weeks in late September and early October. The State Director found himself in a holding pattern, having to explain the delay to the participating districts and staying abreast of developments on the national level that could signal a change in the status of the entire project. National and particularly local press ran stories which predicted "doom" for vouchers everywhere.

Even though the NIE budget cleared the Senate subcommittee in late September, the final floor approval did not come until October. Approval of the New Hampshire voucher proposal and the awarding of funds took still longer. At NIE, the old debate over the merits of the New Hampshire voucher test, as well as a new debate over the merits of <u>any</u> voucher test, surfaced in the Voucher Office and in NIE policy conferences. Several highly placed administrators at NIE, including one who served as the Acting Director for a time, did not support funds for vouchers, much less for a "pure," conservative test. The large expense of the test in Alum Rock concerned some people. Within the Voucher Office and CSPP, debate focused between those who supported the funding of East Hartford's regulated voucher test and those who supported the New Hampshire test.

By December, the voucher staff at NIE had hit on a strategy that joined the New Hampshire and East Hartford tests to each other, presenting them as separate but complementary research efforts which would be most sensible funded together. This way, the considerable political clout mustered by the Chairman in Washington for the New Hampshire site served to prolong the life of the East Hartford test and of the entire NIE Voucher Office. Accordingly, both the East Hartford and New Hampshire proposals were "split funded" on similar fifteen-month calendars (there being too few funds committed to vouchers to fully support both projects for the current fiscal year).

The New Hampshire Education Voucher Project received notification of funding for a local study/planning project on January 6, 1975, four months after such approval was expected. The delay had frustrated all New Hampshire personnel, undercut the momentum of the Spring, and, late in November, had nearly caused the State Project Office to close.

LOCAL PROJECT BEGINS: A FALSE START, 1/75 - 4/75

The Local Project, as described in the proposal submitted to NIE in July of 1974, was to be independent of the central education bureaucracy of the state. It was the intention of the Chairman, the Professor, CSPP and NIE to avoid undue red tape and to give the local districts a free hand, within the limits of the model, to study and plan the test.

The study/planning grant was technically the responsibility of Supervisory Union 41, one of the three Unions involved. The superintendent of S.U. 41 had signatory power over all funds; an Executive Committee consisting of the three superintendents had most immediate control over policy and expenditures; an Executive Board consisting of one board member from each of the seven district boards and the three superintendents had final authority. The Director of the Local Project, who had been appointed in September, had remained available to the project throughout the fall and early winter. In January he became involved, finally, with the project for which he had been hired.

The tasks of the Local Office fell into two parts: Phase I, in which an information campaign and broad community study were to be done; and Phase II, in which a specific plan for implementing the New Hampshire model in the seven districts was to be constructed. Both phases, originally to have been carried out in time for implementation in school year '75-6, were to be completed by January 1, 1976. School districts

would vote the following March to proceed or not with a voucher test in September 1976.

The first weeks of the study/planning grant were confusing. NIE wired permission to begin operation. The State Project Director and local superintendents, however, refused to begin work without cash "in hand." The State Project, in fact, required a grant extension; this matter aggravated relations between that office and NIE as it was no longer clear in Washington that a State Project was necessary. Energies were diverted from the essentials of a smooth and hasty beginning for the Local Project to arguing over cash flow.

The Local Director did not begin work until February 2 (and for the first month, he ran the "project" partly from his home in Massachusetts). The uncertainty of funding and concern over dwindling public motivation for a voucher test had, by this time, led the local districts to doubt the stability of the entire project. The immediate tasks of setting up a Local Office and of having the districts, in their impending annual meetings, vote continuation of the study/planning project received spotty attention.

In early March, the seven districts held their annual District Meetings. Due to the disorganization of the Local Office, no clear strategy emerged for presenting voucher test matters at these meetings. Consequently, three boards introduced articles requiring district members to vote on participation in the test. The other four simply reported voucher affairs to their districts and assumed a continued commitment to the project. Of the three districts that brought the matter to a revote, Brookline and Amherst voted to drop out of the study. Undoubtedly in the other four cases, the assumption that participation in the test would continue precluded any consideration of a withdrawal.

By mid-March, having the results of these votes and decisions in hand and with the Local Office set up in Manchester, the local effort was ready to begin in earnest the tasks of Phase I. By this time, however, NIE had become concerned with the stability of the project as had the superintendents. At a meeting on the 21st of March in Manchester, NIE Staff encouraged the Local Director and superintendents to double their belated efforts to get the test off the mark. The superintendents, who were never fully committed to the test, balked at the suggestion that more of their time and energies be devoted to the project. They grew critical of the Local Director for the project's poor showing and for demanding so much participation from them.

In retrospect, it appears that the Local Project Director felt the brunt of NIE's and local superintendents' separate doubts about the project's viability. On April 2, the Local Director resigned at the request of the superintendents. This event renewed state and federal concern for the project's future. A flurry of angry letters flew between NIE and New Hampshire expressing federal dissatisfaction with the events of the past months and superintendents' anger at being accused by NIE of poor leadership. Hostility threatened to disrupt the entire test. In the midst of this period of inaction, a new local director was hired and, by late May and early June, Phase I was finally under way. The project had, however, lost a good three months.

THE STUDY AND PLANNING PHASE, 4/75 - 12/75

Through June and the summer months, the Local Project moved ahead on several fronts. The enabling legislation was finalized in early 1975 by the State Project and CSPP after nearly two years of intermittent effort. Governor Thomson signed the law after legislative approval on May 31, 1975, clearing the way for a pure voucher test in New Hampshire by making it theoretically possible for many kinds of schools, sectarian and non-sectarian, to participate (see Appendix D). In the five districts, Local Project staff assembled community profiles, conducted school staff workshops, and assembled necessary data for the test. By late August the Local Project Office had completed a Phase I Report. Although it did not fulfill all the demands laid out in the grant for Phase I, the report covered most of the details called for in the grant under its "study" portion.

Early in the Fall of 1975, the Chairman, NIE and the Center separately prodded the local staff to engage the voucher districts in planning activities. Rising concern over the lack of any campaign in the districts and over the quality of the Phase I Report had created the impression that the local staff was lagging in its work. Partly in response to this pressure and as a matter of schedule, the Local Office began a series of meetings with the Executive Board (the three superintendents and one member from each of the five district boards).

The Fall was a period of rough going. Aside from the pressure placed on the local staff to begin the belated community campaign, NIE's funding uncertainties for FY 76-7, rising tension over the failure of the Local Office to employ the services of the Center, and several stormy Executive Board meetings made the period one of uncertain progress.

Much of the Fall, at both the state and local project offices, was devoted to formulating the rules and regulations for participation in the test, a task requiring the specification of a range of terms and procedures. Ultimately, before a voucher test would be possible, these regulations and plans would require the approval of: 1) the local Executive Board; 2) the State Board of Education; and 3) the local Districts. Through the Fall, the Executive Board hashed over the details of the proposed test and made alterations to fit the political realities of the districts it represented. At the same time, the Director of the State Office was overseeing the formulation of regulations in official and legal form at the state level for presentation to the SBE. The Professor, now employed as a consultant to the Local Project, followed both developments with an eye toward maintaining the Feasibility Study's free-market voucher model where political or ideological matters may have compromised it.

In November of 1975, the Professor determined that the model had in fact been violated in the planning process. At roughly the same time, NIE and the Center realized that the Executive Board and local staff's developing plan was becoming hopelessly confused and straying from the original model. These agencies, still dissatisfied by the Local Office's low community involvement, began predicting failure for the project in the districts and uncertain funding for it in Washington.

On the 24th of November, the Professor and the Director of CSPP met with the Executive Board and indicated to them that they could not expect the State Board or NIE to approve a test not consonant with the Revised Feasibility Study. They specifically indicated several points on which the Executive Board's "local model" (which had been formulated from previous meetings' notes by the local staff) diverged from the Study's "model" originally approved by both the SBE and NIE (see Chapter IV). The Board's implicit choice was to: 1) sanction their "local model" and have the SBE and the NIE reject their plan and thus their participation; or 2) adopt what came to be termed "the New Hampshire model" (the original Revised Feasibility Study model adapted somewhat by the Professor and Local Project). Executive Board members felt the severity of the latter model would make it virtually insupportable in the districts.[3] Following the meeting, most local district representatives felt betrayed in their planning efforts and forecast doom for the project in the districts.

Attending these developments, and arising from growing doubts that the five districts would marshall a positive vote for a properly formu-

[3] As the discussion in Chapter III will illustrate, the voucher experience in New Hampshire was plagued by "the model's" generality and susceptibility to multiple interpretation.

lated test in March, the Professor and the Chairman began exploring other possibilities for a test site. The community of Salem, a small city whose leadership had been eager to participate in the test in 1973 and '74, voiced some interest when approached. (The community had been one of those to vote against participation in the study/planning project in 1974.) The Chairman, the Professor and the State and Local Directors supported Salem's candidacy for entry into the project. In general, they felt that such a move could "save" vouchers in New Hampshire from the almost certainly fruitless end for which the "original five" districts were heading.

Salem won state approval to join the project in a phone vote of the SBE on November 14, 1975. Subsequently, at the Executive Board meeting on November 24, they received tentative approval from that body, subject to the clarification of several legal problems. Their full participation, however, would require agreement by NIE to expand the conditions of the grant. There was substantial feeling at NIE that the by-now moribund New Hampshire voucher project could not be resurrected by the admission of Salem.

The month of December saw little substantive change in the work of the project or progress toward a resolution of Salem's membership in the project. The Local Director and an Assistant Director visited the Alum Rock demonstration and were out-of-state for the first ten days of the month. An Executive Board Meeting was held on the 15th at which the legality of Salem's entrance into the study/planning grant was cleared up. The Board, in addition, placed a $25,000 ceiling on expenditures for the Salem study and mandated that Salem would be bound to a District vote to decide their participation in the test, just as the other five districts were.

At the end of the month, the Local Project Office was exclusively involved with the production of the planning, or Phase II, report. Salem's eligibility for study/planning funds still hung on NIE's acceptance of an as yet unformed plan for work in the district. NIE remained averse to authorizing any additional monies for a faltering New Hampshire site unless any new effort was carefully laid out in advance.

INFORMATION CAMPAIGNS AND THE DISTRICT VOTES: 1/76 - 3/76

During most of January, the Local Project staff concentrated its energies on the Phase II Report. This document summarized the work of

the local staff and the Executive Board, laying down the decisions they had made on the procedures, staffing needs, and financial requirements for a test in the five "original" districts. According to the long-range strategy of the study/planning grant, the Phase II Report was to be the basis on which the districts would vote to participate in the test.

Developments in the districts during this time, however, made the Phase II Report's publication nearly a futile act. For the five districts to consider participation in a test at the March District Meetings, the budgetary components of the voucher program required consideration alongside each district's "regular" school budget. The fiscal details of the planning efforts had to be available to the districts while they were considering their school budgets. Some districts had begun this consideration as early as October and all were well along in the development of a "regular" school budget by late December and early January. When the "voucher budgets" were presented to the district Budget Committees at this time, they came as a belated surprise to most (see Chapter VI, part 3).

January, a month in which informational campaigns based on the Phase II Report were to have taken place, saw little progress in this area. Local Project Staff focused on the report's publication, on winning NIE approval for Salem's admission to the test, and on crises generated from the growing possibility that the Budget Committee would in effect veto the program before it reached the March meetings. After a series of hurried interchanges between the Professor, the Chairman, a New Hampshire congressman, the Local Director and NIE in which NIE was persuaded to reverse its position, the project was granted permission to conduct study/planning operations in Salem on January 23. Toward the end of the month, the Local Director made appearances before several district Budget Committees, but failed to persuade any of the voucher test's worth.

In the last week of January and the first week of February, the Budget Committees of Hooksett, Hollis and Deerfield voted not to include a budget for the voucher program in the municipal budget. In effect, this action made it impossible for voters in those towns to adopt the voucher program by removing the mechanism by which funds can be expended. During this same period, the Allenstown Budget Committee approved the voucher budget but did so only at the special request of the Allenstown School Board. That board simultaneously stated to the Concord Monitor that it did not support the adoption of a voucher program but

felt the voters of the district should have final authority in the matter at the March meeting. After these decisions had been made, the Local Project Office began its informational campaigns in the five districts.

The local staff's appearance at meetings of citizens and teachers clearly had no consequence in anyone's mind. At most gatherings, the Local Director's presentations were more post-mortems than efforts to inform or to rally support. Only in Candia, where there is no Budget Committee, and later in Salem did the Local Project have any real cause to press the interests of the program. At the Candia public information meeting in early February, a turnout of some fifty citizens in fact seemed supportive of the test. The Local Director's appearance before the Salem Budget Committee -- an effort to avoid the drastic errors that left the committees uninformed in Hooksett, Hollis, Deerfield, and Allenstown -- generated local interest and some clear support as well.

School District Meetings in the original five districts took place during the first week of March. In Hooksett, Deerfield, Hollis, and Allenstown, the voucher issue was defeated pro forma (in the first two districts, the article proposing the test was passed over; in the latter two, it was defeated without a positive vote cast). At a late night meeting in Candia, a largely uninformed citizenry which had already endured a long and angry debate over school construction (defeating a proposed school addition) turned down the voucher test by an estimated 400 to 6.

Salem's District Meeting was held on March 20. In the two weeks between the meetings of the first five districts and that date, the Local Project staff made a number of appearances in Salem, conducting the sort of pre-vote educational campaign that had been planned for all the districts. The Phase II Report was made available to citizens, and the weekly newspaper in Salem, operated by a voucher supporter, gave ample press to the cause. Debate on the voucher issue at the Meeting carried on for an hour and a half; a number of town leaders spoke for the program. In the end, however, the voucher test went down to defeat in Salem as well by a vote of 252 to 117.

For a variety of reasons that will surface at later points in this report, the voucher program did not muster enough public support in New Hampshire where, ironically, such public decisions are made by the very people to whom vouchers were to bring educational control. The choices of the New Hampshire districts not to try the program ended the seven year federal attempt to test a model of financing education through voucher.

Part II

Issues of Program Planning

Chapter 3

A detailed treatment of three issues: generating a useful voucher model that would be satisfactory to all participants in the planning process; establishing an agreeable role for the Local Project Office; and deciding whether sectarian schools would be included in or excluded from the test. Each "issue" is presented as a peephole into the entire project's dynamics.

Chapter 4

Reporting the Local Project Office's efforts to move from a theoretical voucher model to a program design for the participating districts; difficulties that arose; impacts of these efforts on the relationships among participants and on the voucher system's fate in New Hampshire.

Chapter 5

Summaries of the roles and perspectives taken by federal and state agencies and agents in the voucher project; similar treatments of the major consultants employed in the project.

Chapter 3

Points of Decision: Three Instances

This chapter examines three issues that arose over the three-year course of New Hampshire's experience with vouchers. The issues -- settling the terms of the unregulated model, specifying the role of the Local Project staff, and finding a posture toward sectarian inclusion in the test -- were not necessarily selected for their importance to the events of the voucher's history. Rather, they were chosen for their ability to demonstrate the policy dilemmas and organizational relationships that carried through much of the New Hampshire voucher experience.

Each of the three discussions in this chapter includes an issue, participants' feelings about the issue, attempts at resolution and the after-effects of such "decisions." Although the three points of decision are presented here in rough chronological order, they clearly overlapped in time and confounded each other as the project ran its course. The author assumes that Part I has amply conveyed to the reader the narrative and organizational contexts for these descriptions.

GENERATING A MODEL: THE FEASIBILITY STUDIES

The details of the unregulated voucher model were unclear from the very start in New Hampshire. To gain both local support and federal financing, the first project staff needed to bring the site's disparate

notions of that model together into a concise statement. The initial OEO Contract with New Hampshire stipulated that such a statement would be generated as part of a Feasibility Study by the summer of 1973.

Early work on a model was done by a "motley crew," as one prominent participant put it. Anxious to launch a conservative voucher test before OEO was dismantled, OEO's Office of Program Review sent staff to New Hampshire in May of 1973. Even before planning funds were obtained from OEO, these people and several employees of the New Hampshire State Department of Education began drafting a model and program and seeking possible sites to implement an unregulated voucher program for the following September.

This initial design began with Milton Friedman's "free-market voucher" notion. In a free-market system, all schools and all parents were to be considered independent agents with the authority to "buy and sell" at will. Every child received a voucher of the same financial value from his district; choice of schools was unlimited and to be governed by parental judgment. The nature of schools and the quality of the education they provide were to be shaped by a school's ability to remain solvent through attracting vouchers. In this scheme, private schools, both sectarian and non-sectarian, were to compete with public schools as "educational suppliers."

The first staff in New Hampshire, including their political guardian, the Chairman of the State Board, attempted to translate Friedman's governing philosophy into an operational form. The Study included a statement of "assumptions" the test would address, budgetary, site-location, and legal requirements for a test, and an evaluation design to yield data on the positive and negative effects of the pure voucher concept in action.

In spite of the "unregulated" nature of the New Hampshire voucher concept, the Feasibility Study completed in July of 1973 included several restrictions on the free-market model. First, it did not include parochial schools (the Nyquist decision prohibiting the direct flow of public money to sectarian schools had convinced the Chairman and others at the last minute that the inclusion of parochial schools might "kill the concept" from the very start).[1] Second, it provided for varying voucher values, including a "compensatory" version, the function of which was vaguely left to the local districts. Third, it proposed that participating schools that lost students to the other districts due to the exercise of vouchers would be reimbursed by the federal government at 100% of

1. See section 3 of this chapter.

46

their loss in the first year and at 80% in the second year of the 2-1/2 year test. This third point effectively removed the free-market factor from the test, assuring schools that they would not be subject to the financial power of parental demands.

The Feasibility Study was approved by the NH State Board of Education August 14, 1973, and was officially submitted to the office of the HEW Assistant Secretary for Planning and Evaluation (ASPE). Despite the fact that the New Hampshire project had been assigned to ASPE to avoid antagonism to the concept in NIE's Voucher Office, ASPE and NIE jointly reviewed the Study and failed to approve it. This action began a phase of activity in which ASPE and NIE staff in particular participated in the delineation of the model.

ASPE and NIE criticisms of the Feasibility Study centered on several points. These were revealed to New Hampshire personnel, principally the Chairman, the Commissioner, and the Professor, between August and October, 1973. The federal agencies were concerned that 1) the federal government not be held liable for all financial losses to participating districts; 2) that sectarian schools be included if at all possible; 3) that New Hampshire be prepared to combat any de facto segregation by socioeconomic status and race that might occur; and 4) that the model be as "unregulated" as it could be relative to the Alum Rock "regulated compensatory" voucher project so that it might yield useful experimental results.[2] Ironically, these criticisms indicated that New Hampshire's model was not "unregulated enough." A number of meetings took place, both in Washington and in New Hampshire, which brought ASPE, NIE, and New Hampshire people together to hash out the details of the model and of a skeletal plan for implementation, funding, and evaluation.

In Washington at this time, the New Hampshire voucher project was not only considered a fifth wheel on the NIE voucher wagon but was thought to operate in reverse of the other four wheels. The Voucher Office at NIE was miffed that OEO had found a separate resting place for New Hampshire vouchers when the transfer of the Voucher Office to NIE had been effected in June. Staff there saw little redeeming value to a "conservative voucher test" and, as the Voucher Office's director said later, "We fought it tooth and nail."

Thus, the Feasibility Study revision process engaged three camps not always sympathetic to one another: the Planning Office of ASPE, the Voucher Office at NIE, and New Hampshire personnel. Working sessions involving these three groups in the Fall of 1973, by all accounts,

2. Appendix B contains brief descriptions of the more regulated voucher models against which the New Hampshire efforts were contrasted in Washington.

practically always ended in deadlocks. In general, New Hampshire personnel argued for the fiscal protection of participating districts and, sometimes contradictorily, for the purity of the model and for making the program palatable to voters in New Hampshire. ASPE plugged for budgetary and programmatic detail, for protection of the federal government's financial liability, and for a clear unregulated model. NIE, once the Voucher Office had overcome its initial hostility to working with the New Hampshire project, sought assurances that socioeconomic segregation would not occur, that districts would participate on the basis of "informed consent," and that the New Hampshire test would be adequately unregulated to present a worthwhile experiment of that concept.

A significant step in the development of the model occurred in September, a time when the factional argument over the substance of the New Hampshire model was at its peak. At a meeting in New Hampshire between the 19th and 21st, members of the three agencies agreed that revisions to the Feasibility Study would take place more readily if two spokesmen representing the federal and the state interests could handle the negotiation of terms. Consequently, the Chairman designated the Professor, who had consulted to him from the earliest stages, as the New Hampshire representative and the federal agencies agreed upon the Director of CSPP as their representative. Among other things, the Director had played an important role in arguing for the validity of a free-market test at NIE and in eventually winning acceptance for the idea there.

The efforts of the Professor and the CSPP Director at redrafting the Feasibility Study proved fruitful in a number of ways. These two, with CSPP's substantial academic resources on hand, were able to reduce the confusing mix of economic, social, scientific, and educational theory that came to play on the unregulated voucher model to a simple test design. Significantly, they were able to convince the Friedmanite "purists" that some controls over the operation of the free market were necessary. The "unregulated model" gave way to a "less regulated model" for New Hampshire.

The Revised Feasibility Study provided schools some financial "incentive" to enter a totally open market. It left to the dynamics of the free market (i.e. to individual and district choice) the issues of parochial involvement, potential segregation by social class, and the schools' right to set admissions standards and determine program, but indicated the responsibility of the federal and state governments to watch carefully for any negative trends in these areas. The Revised Study also left a number of the more detailed concerns that had arisen, such as the

48

arrangements for transporting voucherized children, to future negotiations with the local districts. Thus, it outlined the broad aspects of a design, but left room for the involvement of school and citizen groups in the delineation of the "less regulated" voucher program (see Appendix E).

Perhaps equally important as the revisions they made, the Director and the Professor took the model out of the immediate hands of the three central agencies involved. This both defused some of the hostilities which had arisen principally between the federal and state levels and strengthened the confidence of each agency in the model. Thus, the model-building process took a quantum jump both politically and in quality. By the time the Revised Feasibility Study was submitted in November of 1973, it was in a position to draw support from all the necessary agencies -- the State Board of Education in New Hampshire, the Office of the Assistant Secretary, and the NIE Voucher Office.

In the weeks and months that followed the Study's approval, the debate over the legality of including parochial schools continued. The unanswered logistical aspects of a test -- transportation, transfer procedures -- demanded definition in early 1974 as the State Project Office advertised for participating districts. The precise relationship between the federal agencies and the state, between the experimental purposes of researchers and the service interests of the state supporters, was never satisfactorily defined.

At the federal level, the debates over the New Hampshire model had created a logical place for the New Hampshire voucher test in NIE's voucher research design but had also confirmed the opposition of some NIE staff to the test's premises. The New Hampshire model was viewed increasingly as a worthy effort because it offered a systematically varied voucher strategy from that employed in Alum Rock, California. A test of such a strategy could, it was supposed, yield as much if not more information on "voucher theory" as could a replication of the Alum Rock experiment. On these grounds, NIE found itself increasingly committed to harboring the New Hampshire test in spite of the fact that the largely liberal, urban-oriented voucher staff did not consider a rural, conservative test as potentially beneficial as the compensatory, large-system models.

In December of 1973 HEW Secretary Weinberger placed the financial and research responsibilities for the New Hampshire voucher test with its like programs in the NIE Voucher Office but retained "policy monitoring" powers for it in the ASPE office. In doing so, he overtly

recognized the ambivalence with which NIE continued to look upon the open-market voucher model and test.

THE ROLE OF LOCAL PROJECT STAFF

Between the approval of the Revised Feasibility Study and the funding of the study/planning, or "local," grant -- a period corresponding to the calendar year 1974 -- progress toward a test was piecemeal. Flurries of activity took place in the Spring as the State Project Office sought districts for a test and developed a proposal for study/planning funds. Summer and Fall, a troublesome period at the federal level as President Nixon resigned from office and as NIE funding was seriously threatened, saw the New Hampshire voucher proposal hopelessly stalled in Washington. By the time funds were procured and officially transferred to New Hampshire, it was late January, 1975, and the momentum of the project had suffered appreciably.

The local grant was to serve two major purposes as outlined in the "Proposal to Fund the Study and Planning of the Education Voucher System in New Hampshire" (July, 1973): 1) to expand school districts' understanding of the voucher system and study possible changes in the educational program it might precipitate; and 2) to plan procedures for handling transfers, transportation, budget, administration and other program specifics in the event the project became operational. The recipient of the $210,000 grant, acting in behalf of the then seven districts interested in study/planning, was the Supervisory Union Board of the Hollis-Brookline-Amherst Union.

From the very beginning, the role of the staff hired to administer the Local Project was uncertain. The first Local Director, a man who had initially been hired in September of 1974 in anticipation of the grant's award in the fall of that year, was relieved of his position after working only two months (February and March, 1975). The Local Office's Executive Committee (three superintendents) and the Executive Board (superintendents plus one representative of each district board) had jurisdiction over the work of the local staff. They, according to one superintendent, "got pulled in to actually manage the project under [the first Local Director]. That was too much. [We] want to be in on the policy-making and key decisions...[but] our time is too short [to do what he wanted us to]."

As the second Local Director was hired in mid-April, several events threw his introduction to the project awry. He was hired, in his words,

with the understanding that "I am the administrator" and that he would "keep the project off [the superintendents'] desks as much as I can." In hiring a new Local Director, the superintendents sought an administrator who would make decisions himself, execute the terms of the grant requested by their boards, and keep the superintendents, "as free of the day-to-day responsibilities as I can."

As the terms of this relationship were being ironed out, the superintendents found themselves embroiled in a vituperative battle with the NIE Voucher Office. The superintendent whose Union served as the grantee received a letter from NIE expressing "concern for the future of the New Hampshire Education Voucher Project" and inquiring as to "the extent of the participating districts' commitment to the project." NIE had grown concerned with the withdrawal of Brookline and Amherst in March of 1975 and with the delayed start of the local study/planning office (the grant had been announced January 1, and as of late April, a full staff had not been hired).

The letter set off a barrage of letters and phone calls in which the superintendents proclaimed their interest in the program but their disinterest and logistical inability to manage and lead its operation. The superintendents plainly cast themselves as supervisory personnel; indeed, their jobs as superintendents prohibited the expenditure of great energy for vouchers while committing them, as executive agents for their District Boards, to administrative oversight responsibilities. Letters from the NH Commissioner of Education to NIE and from the Chairman to HEW Secretary Weinberger defended the superintendents and questioned the integrity and good judgment of the NIE staff member who wrote the initial letter.

The lines of the argument around which this "April Hostility" was drawn became central themes in the dealings of NIE and the Local Project Director and his staff. NIE (and later CSPP) held the superintendents, Executive Board, and local staff responsible for actively bringing districts into the test and generating interest in creating "new educational choices" for parents. The superintendents and their employee, the Local Director, viewed their responsibilities as those of faithfully carrying out the specific tasks outlined in the study/planning grant -- providing information, study, and planning facilities to the districts as they contemplated introducing a voucher test to their schools. In early June, 1975, the Local Director said,

" We will go out and monitor the

51

> communities, get their input, then generate the program ... [Our job] is not to take a stand for or against the voucher project, just to do research, provide information to the local people, and let them decide [if they want the program]."

During the summer of 1975, the argument over the Local Office's role remained a constant theme in the thinking of project staff and of NIE and CSPP personnel, although it remained largely sub rosa. The Local Director felt the pressure to commit himself to one or the other preference, but could do neither without dissatisfying either the federal or the local authorities. In general, he followed a path most consistent with the role of the superintendents, his immediate employers and keystones to his future employment interests in New Hampshire. He increasingly saw the NIE and CSPP site representatives as "those OEO types that push the public involvement to extremes," who "push" too much, wanting to "organize teachers and block mothers" rather than give them a free hand to judge the project on its own merits.

In early August, at a meeting of the Local Director, several Local Office consultants (including the Professor) and the NIE Project Officer, the debate became enmeshed in the theory of the unregulated voucher model. The NIE staffer held for a Local Office role in which the staff would "develop the market" for vouchers, essentially operating as advocates for the "demand side" of the market (parents). The Local Director, on the other hand, viewed his role as making sure the model received a fair hearing in the districts, in both the supply and demand camps. He and his staff were not advocates of the voucher program or of one form of education as much as they were "consumer protectors," ensuring that the District votes in March of 1976 would be well informed. The meeting did not decide the issue as much as it aired both sides.

Throughout the remainder of the project, this advocacy/non-advocacy theme cropped up repeatedly. In the Fall when NIE, CSPP and the Chairman realized the Local Project staff had not made any appreciable contact with the citizenry of the districts, all three applied pressure to do so. The Chairman, in particular, believed the local staff should engage in a "coffee klatch" campaign, meeting citizens, informing them of the program and arguing for a test of the unregulated voucher concept. NIE and CSPP became progressively concerned that the staff was doing little to promote "ownership" for the test "on the demand side" at the local

district level; "grass roots organization," they believed, must take place if the test was to be approved in March.

The Local Director and his staff fluctuated. On one side, state and federal officials, including CSPP, saw nothing happening in the districts and applied sometimes forceful pressure on the staff to "get out and organize a constituency." On the other side, the superintendents and district boards, who themselves represented the supply side of the market equation and who were the immediate employers of the local staff, were chary of "a sales job," particularly when it meant encouraging the powers of the demand side. In mid-September, the Local Director finally made it clear to the Chairman and Commissioner that he was "boxed into a no-win situation." As he put it on September 23:

> "We've been pushed into a stronger advocacy role. But this is a distortion of our role. We're supposed to be a research group... to take no positions. We hoped for a trust [at state and federal levels] in the intelligence of the [educational] consumer. We didn't want to lay an advertisement on the people, but now we must. Now I see myself as an advocate of the demand side [with a charge to] activate the troops... This is different from the agreement [with the superintendents] when I was hired... We will make it a vote <u>against</u> public education, not <u>for</u> vouchers and that's sad... [I've been forced into] intimidating communities with federal dollars... They've changed the agenda on me."

Subsequently, the Commissioner met with the three superintendents, told them "that the Department is behind this program all the way," and made it clear they were obstructing the progress of the Local Office by insisting on a non-advocate role.

In the following months, however, the local staff did not appreciably increase its contact with or become more openly assertive in the districts. They were thwarted in part by the vagueness and uncertainty of the program's design: "We're a bit gun-shy about getting information out," an

assistant director said, "because of all the misinformation and inconsistency in past campaigns [in 1973 and '74]. We want to be sure of what we say [to the people, so we'll say nothing for the time being]." True to his early strategy, the Local Director had involved the Executive Board in the development of the test design. Until they, through a lengthy and confused process between September and December, had "signed off" on a design, and until the design had been approved by the State Board of Education, the local staff felt themselves ill-prepared to move into the districts.

The "design," in the form of the Phase II Report, did not reach circulation until early February, 1976. By then, CSPP, NIE, and some of the state leadership believed it was "too late to bring it to the people so they'll understand what the hell it's all about." Their notions of a "public information campaign" and of the necessary advocacy for the concept thus led them to a pessimistic prognosis for the New Hampshire voucher program even before the local staff was well aware that these agencies had lost confidence in their abilities and did not agree with their strategy. These developments, brought on essentially by the site's failure to work out a generally acceptable role definition and campaign strategy for the Local Office, not only confused the local staff's work in the districts but created hostility toward NIE, CSPP, and the Chairman as well.

THE PAROCHIAL QUESTION

When staff from the OEO first contacted New Hampshire to initiate a voucher demonstration, the unregulated test was to have included sectarian schools "if at all possible." The first contract between OEO and New Hampshire stated that the voucher model designed by New Hampshire must "be in consonance with federal and state constitutions or laws and statutes relating to the matter of public support of non-public sectarian schools." In terms which prefigured the project's later ambivalence over the inclusion of sectarian schools in the test, the contract went on to encourage that the state "consider the example of the G.I. Bill of Rights," a model of educational delivery which allowed the individual a "free choice with respect to the school he will attend [and to which he will pay his publicly provided tuition monies]."

In 1973, NIE's governing board, the National Council on Educational Research, passed a resolution flatly indicating NIE's interest in seeking ways to include non-public schools in voucher efforts. It stated that "the design of additional projects by the Institute and local participants should include participation by non-public schools in voucher projects insofar

as this is permitted by law." In consonance with these desires, all early voucher documents in New Hampshire included private and religious schools as a part of the voucher test. Most opinions agreed, however, that the New Hampshire state constitution and statutes presented greater justification for a policy of including sectarian schools as voucher-eligible than did the federal constitution.

In writing the original Feasibility Study, project staff had to determine which schools were eligible to receive voucher students, a step which required a decision regarding sectarian schools. The fact that most private schools in the state were established by church-affiliated groups gave added importance to this question. If "sectarian" were taken by its conventional meaning (designating all schools with a church affiliation) and "sectarian schools" were excluded from the test, very few private alternatives would remain available to voucher students. This would amount to a serious restriction of the education market, effectively reducing the amount of choice available to the parent and child and the amount of competition with public schools that such a test would generate. From the federal viewpoint, such a test would be so restricted that it would yield little important data on an unregulated voucher program.

Late in June of 1973, the Supreme Court handed down a decision in the case of Committee for Public Education and Religious Liberty v. Nyquist which interpreted even the indirect flow of public monies to parochial schools as a breach of the U.S. Constitution. Following this decision, the Chairman called a meeting of the Advisory Board of the State Voucher Project, a group composed of leaders from various educational concerns in the state, including the Catholic Church. Confronted with the Nyquist decision, the Advisory Board voted not to include sectarian schools as a part of the education market to be described in the Feasibility Study as eligible to receive voucher-bearing students.

The Advisory Board's decision, which was supported by the Chairman and the Professor, was motivated by two major arguments. First, they wanted to avoid a court case in the early days of a voucher test. Such a case would inevitably draw a national audience, raise the sensitive issue of separation of church and state at the local level, and very possibly jeopardize the life of the entire test. Second, the New Hampshire leadership wanted to assume an inconspicuous stance on the sectarian issue in general because of its potential explosiveness in New Hampshire. The shaky financial condition of parochial schools might have made a policy of sectarian inclusion appear motivated by a desire to salvage parochial schools. Such a policy would inevitably, some felt, draw fire from the

populace in New Hampshire.

Through the Feasibility Study phase, while the formal stance of the project was that "children will be eligible to receive financial support to attend [a public or] a non-sectarian private school of their choice...," the Chairman and some members of the Advisory Board privately encouraged a strategy of leaving room in the project for parochial inclusion at a later date. The Chairman himself wrote in a summary of the project affixed to the Revised Feasibility Study in November of 1973:

> "Sectarian, including parochial, schools, are not currently authorized to participate in the [voucher] plan, but provision has been made for their inclusion as may be ordered by the courts. If so ordered, federal funds will cover their tuition costs, in the same percentage as established in the base year [of the test]."

This stance left the matter of including schools which might be defined as "sectarian" to the initiative of such schools. If the parochial system in New Hampshire, for example, felt they should be included as "eligible providers" of education under the terms of the unregulated test, they were to contest that issue in the courts. The Chairman, somewhat to the dismay of CSPP and NIE, had promoted this strategy. The Archdiocese of Manchester, and its two members of the Voucher Advisory Board, agreed with this strategy and understood that, at a "later date" when the project was on its feet, a court test might be initiated by the Church. As the then Archdiocesan Superintendent said in an interview in 1975, "The issue of including parochial schools is a very delicate [one]...the greatest obstacles to [parochial] participation are among the citizenry and the educational establishment...[The opposition] is an unreasoned type of thing." A low profile seemed most politically expedient.

Through 1974 -- the period of community campaigning for voucher sites and uncertainty about the entire project -- the sectarian question was held in quiet abeyance. If the issue were raised in public, project staff and spokesmen announced the somewhat ambiguous position outlined by the Chairman in the Revised Feasibility Study.

In early 1975, the drafting of enabling legislation for a voucher test brought the issue back into discussion in the project. As those who were

involved in drafting the legislation -- principally CSPP, State Project staff, the Professor, the Chairman and an attorney hired by the project -- had to define which schools were to constitute those eligible to receive voucher students, they once again confronted the option of taking an explicit stand on inclusion or exclusion. Again, their decision left the issue hanging, but implied that the project would operate in conformity with federal and state law. When the Professor, the Commissioner and the Assistant Superintendent of the Archdiocesan schools in Manchester were asked to testify on the legislation before the NH House Legislative Committee, in the words of the Professor, "We all agreed beforehand that we'd just say that the constitution excluded Catholic schools from receiving monies."

Whether this policy effectively defused any opposition to the voucher test (as it was intended to do) is unknown. The enabling legislation passed, but in doing so it prolonged the formal ambiguity of the project with regard to the sectarian issue. The enabling legislation simply states that an "education voucher... may be exchanged only for the provision of educational services by an eligible provider" and that an "eligible provider" is "an educational institution...[which] may receive public funds in exchange for provision of child benefit services consistent with the constitutions of the United States and this state." (HB 867, Chapter 194-A, p. 2).

According to the enabling legislation, however, the State Board was given the freedom to interpret what the general label "eligible provider" meant operationally. Privately, the Chairman was known to favor inclusion and to be willing to have the State Board absorb the legal suit that might be brought against it for permitting the cashing of vouchers in sectarian schools. In July of 1975, he had mentioned in an interview that "Chief Justice Burger's dissent [in the Nyquist decision, which left the door open for a specific court test on the voucher] spurred me to greater efforts on the vouchers [in 1973 and '74]."

With the Chairman spoiling for a legal wrangle, several staffers at CSPP and at NIE began to test the air in New Hampshire for a policy of inclusion. They reasoned that the State Board could approve a set of rules and regulations for the voucher test (as they were mandated to do in the legislation) which made the "eligible provider" label fit all certified schools, sectarian and non-sectarian. If a suit were brought against the State Board for such a policy, it would not necessarily halt the entire voucher program. The legal battle, they felt, would stand "an excellent chance" of setting new precedents in state and federal law on the church-state issue. Potentially, because "the New Hampshire site has

a much better chance of succeeding in court [than any other voucher site]," a court test over the New Hampshire voucher program could have ramifications for school funding (and not incidentally for the voucher concept) throughout the country.

June and July, 1975, saw a concentration of attention on the inclusion/exclusion debate. The Professor, the Local Project staff, the Commissioner, and the State Director believed a policy of inclusion to be suicidal for the test. As the Local Director later put it, "If we'd have run around telling folks the parochial schools were included, we'd have gotten... run out [of the districts]... No one would have voted for the test!" When a CSPP staff member repeatedly brought up the sectarian issue at public informational meetings in June, New Hampshire staffers felt they were treading on increasingly thin ice with regard to the public support they might field for the program.

CSPP's field representatives felt tensions rising over this issue and saw the Professor as the prime proponent of exclusion. As one put it:

> "[The Professor] is strongly anti-inclusion. We and NIE support inclusion but the [public information] brochure drafts [we prepared for the Local Office], and our whole strategy, was to not mention [the sectarian issue] at all. The Professor edited [the brochure drafts] and inserted "private nonsectarian schools" specifically as the only schools eligible to receive vouchers."

Although it was never stated in so many words to staff in New Hampshire, the court test on vouchers and New Hampshire's good chances of withstanding such a test formed the heart of CSPP's and NIE's interest in the unregulated voucher test. At one point in 1975, one CSPP staffer said:

> "The success or failure of a test [in gaining funding at NIE] rests largely on the stance [it] takes with regard to the parochial issue. A court test is inevitable. If a site can't withstand one, there's no point in funding it. New Hampshire, according to our

58

lawyers, has a much better chance in court [than East Hartford]."

And, in November of the same year, NIE's Project Monitor for the New Hampshire site flatly stated: "They're going to have to confront [the sectarian issue] head-on if they're going to get funded." When asked what made the National Institute interested in the New Hampshire test, another member of NIE's Voucher Office mentioned the sectarian issue and the fact that New Hampshire provided "a good constitutional test" of the voucher concept.

At a meeting on July 10 at Boston's Logan Airport, two lawyers acting on behalf of the Catholic Church, a representative of the Archdiocese of Manchester, local and state voucher personnel, the Professor, and two representatives of CSPP discussed what direction the project should take in specifying inclusion, exclusion, or some other stance. As New Hampshire voucher staff recalled the meeting, only CSPP strongly advocated a policy of inclusion. In CSPP's retelling, the Professor ardently pushed for a policy of exclusion. Everyone, it seems, agreed that the issue should not be brought to the public's attention.

Following this meeting, and in keeping with the New Hampshire reaction to CSPP's position on the issue, CSPP and NIE were not consulted with regard to the State Board's rules and regulations for "eligible providers." In fact, on July 23 in Concord, the Chairman, the Commissioner, the Professor, both project directors and the counsel to the voucher project (and author of the enabling legislation) met and decided a strategy, conspicuously omitting CSPP and NIE from the meeting. The group produced a policy which was agreeable to all participants and which, in a court case over a school's right to receive public funds through vouchers, placed the "burden of proof" on the specific school in question.

They developed a "self-certifying" regulation by which any school wanting to qualify as an eligible provider in the voucher program voluntarily certified that it was legally able to receive public funds under the state and federal constitutions. Any suit brought against such a school would not extend to the State Board or State Department of Education, since all self-certifying schools would also sign a clause "holding state and federal agencies harmless" for any claims to which a school had certified itself.

In true free-market fashion, the New Hampshire "staff" had whittled a policy that demanded that an individual sectarian school desiring entry into the voucher program assume all risk of doing so. While some

participants, and notably CSPP and NIE, felt this policy would amount to de facto parochial exclusion, they were never able to reintroduce the topic for consideration. More importantly, the meeting of July 23 placed new strains on New Hampshire's already shaky relations with NIE and CSPP.

As well as deciding on the "self-certification" course, the New Hampshire group apparently shared the feeling that CSPP should, thereafter, be discouraged from making district contacts and otherwise be quietly ignored. As the Professor put it, "[The CSPP Site Representative] was too insistent on inclusion. He doesn't understand the real political considerations -- that the project would be jeopardized by a suit in the first year [if a policy of inclusion were followed]." The Local Director put it more bluntly: "[The Site Representatives] were screwing up too much... jeopardizing the whole [project] pushing parochial inclusion in the districts... They don't know anything about how things are done here."

New Hampshire personnel essentially closed the door to CSPP from early August through late October. Although several brief contacts were initiated by the Center in this period, it was patently obvious that they were not welcome on the site. In the process of this freeze-out, CSPP's and the State and Local Offices' views of each other deteriorated into polarized and quite uncomplimentary colors. CSPP personnel came to be viewed in New Hampshire as "close-minded," "pushy," and threats to the project. Considerable attention focused on the new CSPP Site Representative, a secularized nun and as one staffer put it, an "agitator." She became the figurehead on the emerging characterization of CSPP. One highly placed education official in New Hampshire stated: "This Sister _____ is pretty hot to bring into this thing. She raises the parochial issue a lot. They need to keep her under control."

At CSPP, emotions ran high against the Professor. Staff in Cambridge (and at NIE) saw the project being unfortunately influenced by this one individual. Claiming the Professor was now taking sole credit for writing the Revised Feasibility Study and for fathering the entire New Hampshire test, CSPP bitterly sought ways to reinsert themselves into the project. CSPP's Director, who had previously been most responible for keeping communication open among New Hampshire, CSPP and NIE, had died in May. Now, no single leader either ran the ship on an authoritative course or could deal with the personalities in New Hampshire in as effective a manner as he had.

The Center was consequently left in a vacuum with regard to events in

New Hampshire. When documents were routinely mailed to them by the Local Office, they had little background from which to understand them and they inevitably became critical of the work of that office. They began to question the competence of the Local Project Office and the common sense of the Professor. By mid-September, one Site Representative with lengthy ties to the New Hampshire test, found cause to wonder "what we can do to save the whole thing."

An attempt at realignment was made by the new director of CSPP in early September as he met the Chairman, the Professor, and project personnel. But the new director's introductory comments at the meeting were understood by local personnel as an embarrassing public reproach of their work. The meeting only served to affirm the anti-Center feelings in New Hampshire as the Professor and the Local Director moved to cast the intentions of CSPP in a suspicious light. In a meeting of the Chairman, the Professor, and the new Director of CSPP, it was made clear to the Director that CSPP's role was to be technical and consultative in nature and that the stand which the state had taken on the sectarian issue was to remain.

With this meeting, a vital link between New Hampshire and NIE became implicitly moribund. After that, despite the reentry of CSPP personnel to the site, distrust and unspoken hostilities prevailed. The Local Office always felt the Center had been pushed upon them and resisted what they saw as "that smart-ass, Ivy League" approach. Eventually, CSPP's ignorance about the site and the new Director's pessimism about the test made the Center inoperable as a facilitating agency.

Perhaps even more damaging, their pessimism and despondency were communicated to NIE, which had, from the days of the Revised Feasibility Study, relied heavily on CSPP for "all the information [we] get from the site." Thus, it was not surprising that what had begun as a disagreement among the Professor and CSPP over the sectarian issue should have led in part, by October 1, to NIE's Project Officer saying: "New Hampshire is almost beyond the pale now... It's almost too late to get the community [campaign and the implementation design] done."

In assessing participants' efforts at resolving these three issues, the dynamics of the site came into focus. The fact that the various individuals and agencies did not coalesce in these efforts can be seen as both a product of the site's disjointedness and as the source of continuing misunderstanding. The discontinuity of personnel and of central administrative responsibility for the project seems to have made adherence to

any "model" difficult. These same factors, as well as the ambiguous postures of those "above" the Local Project, appear to have confused the work and the intentions of that office's final and indispensable step toward implementation. The politics surrounding the parochial question played critically on the internal dispositions of the site, indelibly blotching relationships between state participants and NIE and CSPP. In the last seven months of its existence, these factors significantly shaped the project's efforts toward developing a workable design for a voucher program.

62

Chapter 4

Developing a Design: A Missed Connection

The form a voucher program would take when implemented was a constant issue and source of misunderstanding in the New Hampshire experience. Although the tasks of planning a program in detail were taken up formally in the second half of the study/planning grant (from September through December of 1975), officials at the state and federal levels of the site were compelled prior to this time to give some account of the program. These were often varied, spur-of-the-moment conjectures which did not jibe with one another. In addition, varying theoretical descriptions of the "unregulated" or "less regulated" voucher models, such as those in the Blue Book and in the Revised Feasibility Study, set differing parameters for the design in participants' and observers' heads. When the Local Project got down to the tasks of program design, the air was already thick with possibilities and assumptions.

Some people, such as those who initially supported the program or had a part in its public justification, became "purists" who adopted the "protection of the model" as their cause throughout the project. Others, like local school board members, took a pragmatic approach and were willing to compromise important aspects of the experimental model in order, as they saw it, to win public support for the test. In spite of the fact that the local grant intended that the local school boards "plan for and develop the various systems, guidelines and other mechanisms

63

needed for the voucher test,"[1] it was never clear exactly how far they could go toward reshuffling the basic theoretical elements of the test in doing so. Thus, local efforts to decide how the test would look in the districts were destined to run up against the understandings of those at the state and federal levels about what was already "set in concrete."

The vehicle for the local planning effort was the Executive Board of the Local Project Office. This group formally consisted of the three superintendents and five designated representatives, one from each of the district boards. However, as many district board members as possible were encouraged to attend the meetings, five of which were held between September and December. Given this voluntary aspect, plus scheduling difficulties, the composition of the group was never the same from meeting to meeting. This, it seems, had no small impact on the group's ability to sustain a continuous line of reasoning or coherent memory through the planning experience.

The Executive Board meetings began on September 11, 1975, with a review of the Phase I Report, a document which had been prepared by the local staff as a summary of the "study" component of the grant. The report included descriptions of the five districts, their schools, the transportation needs of a voucher effort, a general evaluation design, plans for a community information campaign, and a listing of possible "undersirable effects" a test might have. In addition, brief statements written by the Professor defined the terms "educational alternative" and "educational choice," kingpins to the unregulated model. Noticeably absent, and left to the "planning phase" to determine, were budgetary and administrative aspects of a design.

This chapter covers the events of this final and critical step toward the implementation of an experimental voucher program. In describing the Executive Board process, it extracts the major issues which frustrated local efforts to study, plan and develop ownership over the test. The chapter documents efforts by the Professor and CSPP to intercede in those proceedings to move the project ahead. Finally, it describes the dishevelment of the Local Project and the disarray in which district support for vouchers found itself as the time approached for informational campaigns and the decisive district votes.

DISAGREEMENTS OVER "THE MODEL"

The Executive Board, in its first three meetings, zeroed in on three

1. "A Proposal to Fund the Study and Planning of the Education Voucher System in New Hampshire," July, 1974. p. 8.

major issues: a) how the project was going to "ensure parents a choice among distinct educational alternatives" for the exercise of their voucher power; b) what financial and administrative control the school boards and superintendents were to be allowed; and c) what financial assistance the federal government was to provide the districts both for participation and for protection against damage to their ongoing school programs.

From the start, Executive Board members questioned Phase I Report statements on these issues and pressed for clarification. In responding to their question, the Local Director employed a free-market paradigm: "alternative" school programs would crop up in response to demand, giving parents choices and goading the public schools into improvement; current suppliers -- the public schools -- would control their current programs but would lose their monopoly on public funds; districts would receive federal financing in a fixed "incentive grant." These statements dissatisfied Executive Board members who had been led to believe the voucher program was simpler, more congenial to public schools, and a more lucrative source of federal monies than they were now hearing. Fearing he would lose support from these important local leaders, the Local Director backed away from his harsh free-market caricature, saying, "We [on the project] have no right to do this planning for you. You've got to have input in the whole thing."

The definition of "alternative educational program" presented by the Phase I Report included the notion that, if parents were to have a choice among several programs for their children, the programs must be governed by administratively and fiscally "autonomous" groups (See Appendix F). That is, the "suppliers" of alternative programs must be clearly separate so as to ensure their true competition with one another in the educational marketplace (and thus, according to the theory, drive up the quality of educational offerings). Executive Board members, who initially had conceived of alternatives as "different schools" in the same district, as "different programs" within the same school, or even as "different schools or programs" in different districts, balked at this idea that they must "guarantee parents a choice" between their own district programs and those of another "board." At one point at the October 15 meeting, a superintendent asked rhetorically: "O.K., School Board members: Are you going to give 'autonomy in budget, staff, and administrative decision-making' [as the Director has suggested] to a small group in your town?" His question was met with a cacophony of "No's," "No way's" and "No sir's."

The Executive Board also grew concerned over the administrative and budgetary design that was offered as a suggestion (but received as "the federal plan") at the second meeting. The design proposed by the Local Office (and in the original Blue Book) placed the administration of vouchers, the coordination and public reporting of alternative programs, the evaluation of school programs, and the determination of monetary values for the voucher in the hands of new administrative units labeled the Education Voucher Authority (EVA) and the Voucher Review Committee (VRC). These units were to include members of district boards and other town committees; the EVA was to have a staff of its own. In theory, such an arrangement was to guarantee the EVA's autonomy from the "supply side" -- the school system and the district board -- so that it might bring the "demand side" -- the parents -- into an equally powerful position in the marketplace. The EVA was viewed by the local staff as something of an "educational consumer protection agency."

As the Local Director supplied more of the details on the EVA and VRC his office had tentatively generated, the Executive Board became increasingly set in their opposition to the units. Board members saw no reason to elaborate on already cumbersome bureaucracy and were plainly threatened by the power these units would have. One man asked, "Why in hell can't the school board do [what the EVA and VRC are set up to do]? We have the figures right here!" And, at the end of a particularly frustrating session, another said, "The idea [of the program] is to give a parent a choice, not a demand!"

These concerns carried over into Executive Board members' felt responsibilities for monitoring the quality of education. The possibility that "some fly-by-night school" could open up "in somebody's barn" and even that private schools could receive voucher-bearing students disturbed many Executive Board members. "We need some standards [for voucher-receiving schools]," one board member proclaimed. "We're talking about a free choice here, but we can't use public money to send kids any old place."

Superintendents, too, were incensed at the idea that private schools, which are subject to less rigorous state regulations than those applying to public schools, would be eligible for public money through the proposed voucher scheme. As one superintendent put it, "The state [regulations for private schools] deal with health and safety. They do not require the private school to employ college graduates as teachers; they don't have to be certified." A second superintendent added, "I feel that

there is a need for more control [over participating schools]." And the third said, "All private schools [should] have to maintain the same standards as public schools [if they want to be eligible to receive voucher students and public monies]."

Budgetary matters engulfed large parts of the Executive Board's time and energy as well. From the very first public notices of the voucher program in 1973, state authorities announced that large sums of federal money (set at 20 million by the Chairman, at one point) would flow to the state and participating districts. By the Fall of 1975, this "carrot," as it came to be called in New Hampshire, had dwindled to "an incentive grant" -- a sum to be funded to each participating district equal to 30% of their budget in the year before participation.[2] This grant, as its label suggests, was intended by NIE to make participation in an unregulated market experiment more possible for the districts: they could use the money to finance new alternative programs to keep students within the system; they could use it to defray excess costs created by the test; they could basically put the money toward anything they wanted in order to make their operation more profitable.

In the early Executive Board meetings, it became clear that Board members had grossly misconceived the functions of this money. They, at first, saw the money as "a 30% bonus" -- funds which were free and clear and could be spent on new buildings, new programs, and so on. As the meetings progressed, however, the local staff gently reiterated that participation in the voucher test involved financial risk: if students left the district, they took district funds with them, leaving less behind to support even the current level of services.

As this dawned on members, and as they realized that there were real risks to the test as there are in any experiment, they became irate. While the Local Director was telling them, in the free-market framework of the test, that, "You can set this up any way you want, so it will be most profitable to you," Board members were saying,

> "We've been misled [on the incentive money issue]... My problem is that if I lose kids, we still won't be able to cut back on operational costs. So the incentive money will go to financing [voucherized students going to other districts] and we'll have

2. The federal government was to finance the administrative evaluation and some of the transportation cost of the test as well.

67

none left for internal improvements."

Superintendents and Board members had either not understood this in 1974 or they had been (mistakenly) assured that their risks would be covered by federal monies. What followed this realization was a series of efforts to reduce the risk of losing students (and their vouchers) by limiting the private school options and to increase the incentive monies. These discussions eventually led to concerns over the budgetary arrangements for the project. According to the Local Project Office's design draft, a voucher value was set by the VRC for each district under the stipulation that the value be at least enough to "buy" a child's admission to a neighboring district (i.e. an "autonomous alternative"). In cases where the cost of education was greater in all neighboring districts than in the home district, the voucher value had to be raised to meet the least expensive neighbor's tuition. To finance such a plan, the home district would have to increase its school budget in order to participate in the voucher program. Once the District Meeting voted to raise the money, the plan suggested, those funds would be passed to its "neutral" EVA for distribution.

These plans, as they came to light, created new waves of discontent. The notion of district money passing from the hands of duly elected town officials (the School Board) to the EVA was bitterly received: "We can't propose that an EVA get our money, then hand it back. The people will never accept it!" Board members became disturbed by the thought that a separate body, a VRC, would establish the costs of education and that this would be done on the basis of other school districts' costs, not those within the town. As one board member put it, "[The District voters] don't want someone else to set the costs of education... I can't support this [model] now, unless we can come up with something new...It looks like it'll end up costing us more than what we have now!"

The Executive Board meetings turned bitter, confusing, and unproductive. The Board members grew perplexed by the group's function. Their original charter gave them board-of-director powers over the actions of the Local Office; NIE and CSPP had encouraged "local initiative" throughout the study and preparation periods. In addition, at the meetings, the Local Director repeatedly stated that: "You decide first [how you want this program to look]. Then we'll tell NIE [what we've planned]... This [Phase I Report] isn't definite. We'll start [finalizing it] now...It's not policy...Nothing here is set in concrete." On the Executive Board's authority over the design process, the State Project

Director added, "If you let NIE have a hand in this, you'll get their idea, not New Hampshire's... You have the responsibility here!"

Yet the two directors frequently found themselves "explaining the model" to the Board, a process which immediately obscured the line between what was and what was not "set in concrete." Much of the hostility generated in the Executive Board meetings appeared to stem from this vagueness of authority and role. Voucher staff members would explain how the Phase I Report or the Feasibility Study outlined a definition or a policy; Board members would find fault with the explanation; project personnel would back off and say that "nothing is really definite here yet. It's up to you to decide."

As early as the second meeting, Board members were saying, "That's the third definition [of "alternative"] I've heard. Where is the correct information?" and "Let's free ourselves from this gobbledy-gook [about supply and demand and complicated definitions]. All we have to say is, 'Parents, you send your kids wherever they want'!" Soon Board members were calling for the "straight scoop" on the whole project: "Get someone from NIE here," one member said, "so we can know what's within our power to change [in the design] and so we can get straight answers... and pin them down!"[3]

The uncertainty of terms, the vagueness of role, and the rising anxieties of Board members led to a growing mistrust of the federal and state dispositions toward the project. Members called for SDE officials to appear and clarify the "standards" issue for private schools. They began to doubt the stability of NIE's funding and of their intentions for the project. Fed by their own doubts about the program, these new concerns dampened spirits. Support for the test became very tentative. One member stated angrily that, "We sold an idea [to the Districts] last year that we didn't understand. We're not going to do it again. We've got to be clear on this whole thing, and know whether NIE will pass on it or not before we go to the districts."

The uncertain progress and open hostility apparent at the first three Executive Board meetings (9/11, 9/23 and 10/15), dispirited the Local Director and his staff. Knowing that CSPP, NIE and the Chairman harbored deep concerns about his performance, the Local Director saw the Executive Board experience pushing him and the test closer to the grave. As early as October 2, he was saying that he "wouldn't be surprised if someone booted my butt out of this... Maybe that's how progress

3. Had they met with NIE voucher staff at this time, the Board would have found unexpected congruence with their own views. The supply-and-demand "gobbledy-gook" was an invention of the state level, and it seemed equally confusing to both federal

69

is made here... This thing is just lying on the ground bleeding to death. It's just a question of how many knives'll be stuck in it."

Unknown to him, federal representatives were openly sharing these feelings at that time. The Project Officer at NIE, just a week before, had said, "New Hampshire is almost beyond the pale now... It's almost too late to get the community work done [that will be essential to its success]." And the Field Representative of CSPP assigned to New Hampshire had mentioned, a few weeks previous to that, that "We've been trying to figure out what to do to save the whole thing..."

INTERVENTION FROM ABOVE: "BLASTING THE PROJECT OFF DEAD CENTER"

In this extremely pessimistic climate, a plan was conceived in late October to "bring the planning phase to a climax." When the Local Director told the Professor of the Executive Board's concerns over "the model," the Professor decided that the directions in which the Board was headed were unacceptable. He saw the Executive Board tending toward an increasingly regulated voucher model -- one which reduced competition among educational suppliers, which left too much administrative and budgetary control in the hands of the current suppliers (the School Unions and district boards), which demanded that public suppliers control program and quality components of participating private schools, and which substantially reduced the financial risk of participating in a free market educational arrangement. The Professor asked that the Local Director write down the elements of the Executive Board's "model" and proposed a meeting with the Director of CSPP to determine a strategy for "setting the Executive Board straight."

Writing down the "model" espoused by the Executive Board was a hit-or-miss task. Although the Local Director had proposed two motions calling for a stand against certain aspects of the proposed design, and although these were passed by the Executive Board on October 15, the Board meetings had been so disruptive that such decision-making seemed a ruse. A shifting Board membership, uncertainty about who could vote (when the Director called for a vote on the motions, nobody voted at first), and the fact that the authority of the body was not clear made the formal Roberts' procedures seem empty. The angry and disruptive tone of the three meetings had furthermore made any attempt at consensus-making very difficult for the Local Director. Consequently, the task of setting the Executive Board's "position" to paper was virtually impossible.

3. (continued) and district level participants. Local and federal participants would also have found that they each believed the voucher operation in New Hampshire to be disorganized and leaderless.

70

The Local Director opted to write down what he believed the Board stood for, to send it out to the members, and to ask them to contact him if they disagreed with the statement (See Appendix G). He titled the short paper, "Characteristics of the Local Model." It went out to the Executive Board on November 5 and, in the succeeding weeks, no member either overtly contested or supported the statement. In subsequent discussions between the Local Office, the State Office, CSPP, and NIE, this paper became the gospel on a local posture which had never formally been assumed.

The "Local Model" came to be contrasted with the "New Hampshire Model" and the lines were drawn for a supposed confrontation between the Board and federal and state interests.[4] An Executive Board meeting was arranged for November 24. The Director of CSPP, representing NIE, and the Professor, representing the views of the Chairman, were scheduled to speak on their respective agency's responses to the "Local Model."

Through most of November, the project was in a state of turmoil. According to the Local Director, "No one [in the entire site] knows what the hell's going on...NIE said to folks in New Hampshire, 'Everything goes, locals, you [design] it'...If [NIE] has constraints, they should put 'em up front." He viewed the "Characteristics of the Local Model" paper as the critical step in making the state and NIE come clean with the districts:

> "[If the districts want to remain in the project], they'll have to cut it to our specifications. I told [staff at CSPP and the Professor] that the paper [on the Local Model] is what the locals want to fund. [I told them], 'You'd better tell them to get off it [if it's not correct]."

The Local Office saw themselves as victims of the same uncertain authority structure and vague implementation strategy which had confused the Executive Board. They laid the responsibility of clarifying the decision at the feet of the state and federal agencies. As the Local Director put it: "We've got to do something. Somebody's got to make a decision so I can do my job!"

4. "The New Hampshire Model," in this context, was assumed to be the model supported by NIE and Concord. It was never fully specified, however, and eventually became a vaguely

71

At the same time, CSPP and the Professor believed the Local Office had mismanaged the entire Executive Board process. As the two field representatives from CSPP said, "We were amazed they could have gotten so far from the Feasibility Study [in their design]...It was inconceivable that the [local] staff could let it get that far away." Meanwhile, the Chairman and the Professor began to develop the possibility of a new test site in Salem, a move which all but admitted that the "first five" districts were irretrievably committed to the wrong path.

The situation became further complicated by the Local Office's announcement that "funds [for implementing a test] will be made available to either East Hartford [the other district in the country considering vouchers] or New Hampshire" (See Appendix G). As NIE had raised the stakes in the entire project by having New Hampshire and East Hartford "compete" for funds, the Local Office moved to heighten the conflict between the Local Model and the New Hampshire Model. The Local Director hoped that the Executive Board would concede its supposed disagreements with the New Hampshire Model in order to make the test "fundable." As the State Director said on the eve of the November 24 Executive Board Meeting,

> "The Executive Board's definition of certain things is a distortion of the New Hampshire Model. This has to be pointed out to them [and they must realize that NIE and the state will only approve a design which conforms to the New Hampshire Model]...Everything depends on what happens tonight."

The Local Office approached the November 24 meeting with a sense of fatalism. The Local Director believed that the project had become so confused that it had lost any chance of being funded:

> "[The Director of CSPP] said that [NIE's voucher director] has said this is dead...Nobody's leading this project. We're all committee members with no chairman. No one with power will make a decision...We've refused to go out [to the districts]

4. (continued) referenced synthesis of the Revised Feasibility Study, the Phase I Report, and the Local Director's and Professor's adaptations of these.

72

> until something's decided... We must get firm decisions on the model tonight. We can't let the thing drag out [any longer]."

The Executive Board Meeting began with the following statement by the Local Director: "I sent you the 'Characteristics of the Local Model' paper. I got no negative responses on it, so I assumed you were happy with it. We found some discrepancies between this and the New Hampshire Model." He was followed by the Professor, who said:

> "This [Local Model] does not conform very closely at all to the New Hampshire Model... It was the State Board's idea to have the districts implement the New Hampshire Model, not their own... We didn't want to wait until March for a confrontation on this. You are headed in the wrong direction... What would happen if you went ahead with your model and it passed the town meeting (sic) is that it probably would not be approved by NIE or the State Department [of Education] (sic)... It took two years to conceptualize the New Hampshire Model. The State Board studied it for two years. It's essentially in concrete."

CSPP's Director, while taking a less blunt approach, added that,

> "There is a serious problem with the definition of "alternative" and the "extent of choice" provided [in the Local Model]. Some of you feel there have to be some limitations on choice and on the definition of "alternative." NIE would have problems with that. It wouldn't be a pure voucher test."

The Executive Board was taken aback by these statements. In their previous meeting on October 15, they had been led to believe that they

might "negotiate" the terms of the design and come up with "compromises" between the design NIE espoused and the one they felt would be palatable to their constituents. One member appreciated the bluntness of the federal and state statements, believing that negotiations might then be a feasible step: "This is the first time we've heard [the federal and state positions] put so plainly," he said. Others, however, took the statements as portents of doom; one district board member said:

> "We've tried to make this palatable to our districts. Unless we do, this thing don't stand a snowball's chance in hell...It wasn't our intention to limit choice [as the Professor and the Director of CSPP have suggested]...In order to develop alternatives in the districts, the [New Hampshire] model says we'd have to relinquish control of the schools. The community wouldn't stand for that... The New Hampshire Model won't fly."

The discussion circled tentatively around the need for "autonomous" alternatives and the imposition of public school "standards" on private schools. There was little direct mention of the incentive grant and administrative control issues. Several Board members who had been active in previous meetings simply sat in silence, all but openly conceding end of the project in their districts. The breaking point of the meeting, it seemed, came with the following interchange between a superintendent and the Director of CSPP:

> Superintendent:
> "If two [autonomous] suppliers aren't possible in each district, [then] NIE's not interested."
>
> Director:
> "That's correct."
>
> Superintendent:
> "If the State of New Hampshire [public school] regulations were to be applied to all [participating schools], would NIE go along?"

74

Director:

> "This would raise many questions in NIE's mind... That is a major restriction on the free market... The State Board likes free markets. NIE was persuaded to like free markets. That's how we got her [so removing the free market from the test would most likely remove both state and federal support of a New Hampshire test]."

Following the meeting, Board members saw the situation in terms of two mutually exclusive choices: "[It looks as if] it's got to be either fundable or acceptable to the townspeople. Right now, we're in the middle..." As small groups discussed the meeting, it became clear that few if any Board members gave the project "a snowball's chance in hell" of surviving. One bitter board representative said, "Well there's one consolation... This'll be our last meeting [and we won't have to waste any more time on this]."

In the weeks that followed, local board members made it clear in personal interviews with the historian that the meeting had killed the project in their districts. One energetic member of the Executive Board said, "It won't fly...[There's] no hope. Efforts to work out a compromise [between the two models] would be a waste of time." Another mentioned that he "expected a more constructive meeting... We may have to go all the way through with the New Hampshire Model to the vote, but it won't stand a chance [to succeed] without the board members behind it. And a third said,

> "Such a free-wheeling deal with no strings attached [to the use of vouchers] would be hard to sell [in the districts]... We'd be mistreating our constituency [if we supported the New Hampshire Model]. In all fairness to all people, we've got to watch over public money and be sure the quality of schools is upheld."

The entire episode had turned on the meanings of two "models," neither

of which had ever been fully explicated at any level. The Revised Feasibility Study and the Phase I Report stood as the important precedents for the work of the Executive Board, but they both were incomplete and general. Furthermore, it was never clear, even to the Local Office, whether these documents were hard-and-fast precedents; the interpretation of the "model" was always left to the Professor or to CSPP -- two consultants that did not agree. The Local Model, which had been contrasted to this uncertain "New Hampshire Model," was no more definite. Executive Board members found themselves, then, caught between several aspects of a design they had been told was supported by NIE and the SBE and several aspects of a design they, by their mutual lack of dissent, had approved" as a statement of their "position."

At the December Board meeting, one frustrated member betrayed the general confusion over this central issue when he asked: "Is there anyone here who can explain the differences between the Local and State (sic) models?" Another member who had tried to ask a similar question at the November 24 meeting, upon hearing this, exclaimed: "Hooray! That's what I want to hear too!" There followed no satisfactory statement. Although local people had been discouraged on the grounds that "their model" differed from "The New Hampshire Model," no one at the local level was ever able to define the two models or to determine that there were irreconcilable differences "between" them.

Executive Board members felt they had been misled. As one put it, "we were told in almost no uncertain terms that we would write this thing...that the state would stand on the side. [Now] a lot of people feel we've been double-crossed...It's a shame to spend so much time on this and have it come to nothing." Another said, "I don't know if [the Local Director] knew all that [about the New Hampshire Model constraints] beforehand. He never told us [about it]...It never was clear cut [if we had the power to create the whole thing or not]. The whole thing has been unclear from the beginning..." And a third Board member summarized by saying that "We felt we'd have a great deal more input than we were given at this past meeting."

AFTERMATH

From December on, many participants felt that the November 24 meeting had implicitly consigned the "first five" districts to failure and thus made Salem the remaining possibility for a voucher test. The Local Director felt personally responsible for the debacle of the Executive

76

Board meetings, although he saw his own confusion as the product of uncertainties, noncommunication, and competing ideologies among those "above me."

The State Director and the two field representatives of CSPP, who did not share their Director's fatalism with regard to New Hampshire, were discouraged with the November meeting. They had "wanted to avoid a confrontation...to leave the districts a way out...not to force a decision. [We hoped] to allow reconsideration of their design and the New Hampshire Model." They considered the Professor's initial statement -- the "hard, hard line" -- to have made this impossible. They felt helpless to make any constructive contributions to the site. The Local Director and the Professor had "defined us out of the model [designing process] and out of the districts." The Professor himself said, on December 15, that "It's gone [down the drain] in the [first five] districts...It never really was there."

In addition to these reactions among those staffers with direct district contact, those in leadership positions saw the project on the rocks. The Chairman of the State Board stated on December 11 that:

> "The Local Plan (sic) was a modified Alum Rock plan [and as such] it was self-defeating... Alum Rock is not a voucher system...The negativism of the superintendents makes [our] chances for success tough. And the fears of some local boards are sufficiently strong so they won't go ahead."

The State Commissioner of Education also saw support for the project disappearing at both the local and federal levels:

> "I get the feeling [the Director of CSPP] thinks that NIE would just as soon not be here...Personal interests are now taking over [in the project]...There's no way we can go in and push anyone [to support the idea] at the local level."

With the announcement that NIE would fund only one voucher test and

with rumors of their discontent with New Hampshire, practically no one gave the test much hope of making it to the operational stage.

The November 24th Executive Board meeting ended all meaningful district participation in the planning process. Although two more meetings were held (on December 15 and on January 19), they were not attended by many members and their business was largely cosmetic. A depressing, after-the-fall spirit hung over the proceedings. Several members who had missed the November 24 meeting innocently tried to revive the old debates over standards, incentive grants, and budgetary and administrative systems. But these actions only made the confusion over the project's condition and the hopelessness of the test more painful for those who had wanted to see it go. The only action the Executive Board took which had any consequence in these meetings was the admission of Salem to the grant and the authorization of funds for study and planning activities in Salem.

The final statement of the voucher test design came with the publication of the Phase II Report. This document was intended as the blueprint upon which local districts would decide whether to participate in the test. It was to be the product of the planning phase of the grant and thus the end result of the Executive Board's designing activities. Instead, it was composed of elements of the New Hampshire Model as they were outlined by the Revised Feasibility Study and the Phase I Report and elaborated into administrative, budgetary, research and transportation plans by the Local Office and its consultants. The Professor, as a consultant to the Local Office and as the self-appointed guardian of the "model," thus had a direct impact on the implementation design, an impact which essentially protected the "pure, unregulated" nature of the free-market voucher model.

As a final, ironic twist, the Phase II Report did experience a last-minute change which might have had enormous consequences if it had come several months earlier. The report was routinely approved by the Executive Board at their January 19 meeting, in a form which satisfied the "pure" free-market tenets the Board had fought. Between the time the draft went to press and the time it returned to the Local Office in early February, the State Director moved to change the definition of "alternative." He claimed that it would be futile to approach the districts prior to the March votes using the Professor's "autonomous supplier" definition of "alternative" (which insisted participating districts guarantee parents a voucher valuable enough for them to choose a non-district school for their children).

In a last minute meeting on February 2, the Commissioner, the State and Local Directors, and one of the three superintendents changed the definition of "alternative" to read "separate programs." To participate in the program, school districts need only have guaranteed parents a voucher to another school "program," inside the home district or school building or anywhere else. This change effectively but belatedly removed a source of local officials' fears that their money would "flow out of the district" -- an obstacle that had sorely wounded the program's support early on.

The last minute shift in definition away from the hard-nose free-market concept was facilitated by the implicit removal of the Professor from active participation in the project. Through a series of maneuvers involving the Chairman, CSPP, and NIE concerning Salem's admission, the Professor had been bluntly informed that he did not have a controlling position in the New Hampshire site. Apparently ceding his philosophical fatherhood to those who would "bastardize" the model, the Professor "returned to his tent," as one NIE official put it. Thus, no "purist" was on hand to oppose the shift in the basic terms of the model when it was suggested in the Commissioner's office in February.

The new definition of "alternative eligible provider" was stamped into the Phase II Reports underneath the "pure model" definition -- effectively symbolizing the ambiguity which had surrounded this fundamental point throughout (see Appendix H). Most of the Executive Board members who had contested the pure model definition from the beginning were mercifully spared the tragedy of this move. Few, if any, read the final draft of the Phase II Report, for the issue of a voucher test was all but dead by the time it reached circulation.

What had started out as a well-intentioned effort to involve local citizens in the designing of a potentially consequential educational reform had ended in total disarray. Misunderstandings of terms and concepts central to the project, vagueness over the limits within which the local effort could operate, and ambiguities over the Executive Board's authority had made this final "transfer of ownership" to the local level an outright flop.

Chapter 5

Federal and State Participation: Motives and Effects

Federal and state personnel provide the longest and most continuous threads in the history of New Hampshire vouchers. Staff at the National Institute of Education and the Chairman, Commissioner and State Project Director acted in various capacities, sometimes actively leading the project, sometimes deciding policy and financing, sometimes lobbying behind the scenes, and sometimes simply monitoring the work of others. The "consultant-facilitators" -- CSPP and the Professor -- offered theoretical and technical aid to these "higher-level" participants and, particularly when the locus of activity shifted away from their level to the local project and districts, served as their agents in the field.

This chapter portrays the prominent features of these three higher level participants -- the federal voucher agencies, the state voucher agencies, and the consultant-facilitators. Each had ideological reasons for supporting the New Hampshire voucher test and a strategy for engaging in the project. Each also came to be viewed at the local level in certain, sometimes unanticipated, terms. The central themes that characterized these participants' interactions permeated through the entire project and appear to have significantly influenced the outcome of the whole voucher effort.

THE FEDERAL INTEREST

Previous chapters have described the shifts in federal proprietorship over the New Hampshire voucher project. The project's history as a conservative cause played a major part in determining NIE's receptivity to it when it finally arrived at the Institute.

The early efforts of OEO's liberal Voucher Office excluded the unregulated model on the basis of CSPP's Blue Book recommendations. Attempts by OEO's Office of Program Review to ramrod the conservative voucher test into existence over the heads of the Voucher Office heightened the antipathy of the latter office to the concept. The politicking which sent the New Hampshire project to the HEW Assistant Secretary's office in July of 1973, along with enough discretionary funds to support the program independently of NIE, did not improve the NIE Voucher Office's disposition toward the conservative test.

OEO and ASPE efforts to "protect" the unregulated voucher project from NIE seemed well advised in 1973. The first director of NIE had, in 1970 as a highly placed OEO official, spoken against the model at a conference of the Council of Chief State School Officers in Miami:

> "Perhaps the most significant conclusion we have reached is that a simple unregulated voucher system of the sort most frequently envisioned would be a disaster for the nation's school system. It would be likely to have most of the problems that critics of the voucher system have claimed.[1]"

Indeed, in early 1973, the Chairman approached NIE's Director seeking support for the New Hampshire project. Although the Director's personal opposition to the test was to continue, the Chairman felt his own position to be politically secure enough to write in an open letter to an OEO official that, "you will be delighted the [NIE's Director] and NIE will not oppose the New Hampshire test, should we proceed."

During the Fall of 1973, as it became clearer that the New Hampshire project did in fact have political support at HEW and program support in New Hampshire and at CSPP, it became less feasible for ASPE to continue co-ordinating the federal level. NIE was experienced with

1. Mecklenburger and Hostrop, p. 127.

voucher efforts and was the principal HEW shop for educational experimentation. The Institute was brought in on ASPE's negotiations with New Hampshire over the Feasibility Studies and, due largely to the efforts of CSPP's Director, the NIE voucher staff was persuaded to see some research value in an unregulated test. In December, federal administrative responsibilities for the New Hampshire project were officially shifted to NIE. To make it possible for the Chairman's influence at HEW to have an avenue to the project at the federal level, ASPE officially retained "monitoring responsibilities" over the project.

These early maneuvers played a large part in determining NIE's disposition toward the New Hampshire project. The project never received wholehearted support from the liberal voucher staff at the Institute. Although, as the head of this staff said, "We came to see the Jencks and Friedman tests as complementary...and overcame the liberal gut opposition [to the New Hampshire model]," few, if any, staffers overcame their personal antipathy to the free-market social theory behind the test. As NIE's Project Officer for New Hampshire stated, "I told [the Voucher Office director that,] 'I don't believe in the New Hampshire project' and that I didn't want to be in the picture much." By early 1975, when federal officials felt New Hampshire participants had delayed and bungled through much of the first two years, most of the staff in the Voucher Office justified their work with New Hampshire on instrumental grounds: "It wasn't our design to start with," the Project Monitor said, "but New Hampshire has saved vouchers at NIE so it's our political godfather."

Indeed, most federal and some state staff believed the New Hampshire project had salvaged the entire federal voucher effort in 1974. The American Federation of Teachers had, in early '74, conducted a campaign against NIE's involvement in vouchers. Since NIE's leadership did not support vouchers strongly, the AFT lobby added to the Voucher Office's growing concern for their three demonstrations in Alum Rock, East Hartford and New Hampshire. On the other hand, the Chairman had continually pressured the White House and the HEW Secretary's office to fund the New Hampshire project. The Voucher Office thus felt that the political climate in the Republican administration favored, at the very least, the voucher effort advocated by New Hampshire's outspoken Republican leadership. With the hope of assuring funds for the entire voucher effort thus vaguely tied to New Hampshire's political clout in the administration, the Voucher Office began more openly to espouse the New Hampshire test (despite their continuing

programmatic discomfort with it).

While NIE's hospitality toward the New Hampshire test was fundamentally political, the Institute, at CSPP's urging, did develop a research rationale for funding the unregulated effort. In a March, 1974 presentation to the National Council on Educational Research entitled, "Education Vouchers: A Research Design and Implementation Strategy," NIE's Voucher Office (and CSPP) gave legitimacy to the free-market voucher test on the grounds that it provided a useful complement to the regulated voucher experiments occurring in Alum Rock and contemplated for East Hartford.

Late in 1974, when NIE's budget was assured and funding was announced for New Hampshire and East Hartford, this policy of viewing the two tests complementarily was considered the savior of the East Hartford project. The Voucher Office had, in their terminology, "double-joined" the politically wired New Hampshire test to the less politically powerful Connecticut test in order to sustain the life of the latter. NIE's voucher staff had supported the East Hartford test all along on philosophical grounds; they needed the New Hampshire "godfather" however to keep it, and their interest in voucher research, alive.

Given this set of conditions, NIE's interests in making an all-out-effort at developing the New Hampshire site were understandably mixed. With little or no philosophical commitment to the unregulated test, NIE staff never became involved in on-site operations as they did in East Hartford. As one staffer put it, "We kept a low profile...lower than the federal government should if they really believed in a project." Their tack was to grease the skids for the program in Washington, but to leave the work solely to CSPP and to state and local personnel. The NIE liaison for the New Hampshire site confirmed this hands-off stance:

> "I am the Project Monitor, but that was never made an explicit job. It allows the whole gamut. We used to cover the sites more than now [11/75] but we were never active interventionists. I'm informed [of events in New Hampshire] after the fact, usually."

The NIE Project Officer for New Hampshire summarized NIE's role as follows:

> "We don't have regular, affirmative contracts with project staff in New Hampshire. I've not wanted to get into things...Things have been so awful there. It's been a straight political boondoggle from the start. New Hampshire has been a bad deal. There's been no philosophical support here for the voucher model or idea [in New Hampshire]."

Given this half-hearted, largely instrumental support of the New Hampshire project, NIE staff made little effort, save in the beginning, to foster an open understanding with local personnel. Their distance from the site, the instability of state project personnel and doubts about state commitment and competence increased federal disinterest in the New Hampshire site. NIE came increasingly to rely on CSPP for all their information and on-site work.

When the Center and the NIE staff ran amuck of each other in September of 1975, as CSPP became increasingly blockaded from the local project level, this arrangement broke down, leaving NIE as ignorant of the New Hampshire scene as anyone. As NIE's Project Officer put it:

> "We wanted to work at arm's length from the site and have a final review of the product. That depended on CSPP having an active, constructive role there. It hasn't worked in New Hampshire because CSPP hasn't worked out right. New Hampshire grew hostile to them...From this end, there's been no integration of ideas, no cohesive approach to the site [on the part of our office and the Center]."

In this atmosphere, interagency conflicts in the site were aggravated. Personally deprecating caricatures of individuals in other offices circulated at all levels. Staff at NIE and CSPP questioned the competence of staff in New Hampshire. Shouldering some measure of responsibility for the disarray and polarization of the site, one NIE official stated,

"We could have been clearer in our communication all along so they knew where we were." As it was, when NIE made direct statements in New Hampshire (as they did in the April Hostility statements or in their feedback on the Phase I Report), they (and indirectly CSPP) were received as haughty, ignorant and meddlesome by local and state personnel.

In spite of NIE's desire to have "local ownership" develop and to have New Hampshire "take the ball," staff and local people in New Hampshire always viewed the Institute as a powerful, discriminating presence. The state and local project directors repeatedly asked local staff to "get someone from NIE here so we can know what's within our power to change, and we can get straight answers, pin them down...We need to know that NIE stands behind us financially when we go to the district meetings!"

NIE's "hands-off" policy, the product of their philosophical dispute with the test, their early disappointments with state staff, and their belief that New Hampshire could carry itself politically in Washington, attenuated their ambiguous image in the state. In the absence of any programmatic guidance from NIE, personnel and administrative matters provided the substance of most interchanges between federal and local levels. Federal authority became an almost whimsical tool. In December of 1975, when the local effort should have been gearing up, the Local Director said, "[The Professor] said that [NIE's voucher director] has given him the feeling we're a dead issue up here. But he wants to have us keep the project alive until April to protect the voucher program's face at NIE."

At this point, the "political boondoggle" NIE saw operating in New Hampshire in the beginning had come full circle. Through the remaining months of the project, local personnel saw themselves doing little more than playing out their grant for the political purposes of the Voucher Office at NIE. In fact, NIE staff saw little hope for the project at this point. As the Project Officer expressed it, "We didn't want to kill the New Hampshire test, but we were very willing to let it die a natural death."

THE STATE INTEREST

The steadiest pro-voucher force throughout the New Hampshire effort came, near the peak of the state governmental structure, in the person

of the State Board Chairman. Both ideologically convinced of the free market voucher's merits and politically capable of wielding clout at the state and federal levels, the Chairman was indispensable in keeping the conservative voucher idea alive.

The Chairman viewed himself as the champion of individual rights and "the hard-working citizens of this state." The free-market voucher system, to him, would "restore freedom of choice [to the individual and provide a way to] check the growth of our collectivized educational system." The Chairman believed religiously in the tenets of the free-market model; competition and free consumer choice, once assured in the education marketplace, would drive up the quality of schools and their service to parents. Most significantly, vouchers would halt the monopolistic growth of public education and teacher unionism in America:

> "[It is understandable that this voucher scheme] is opposed by the educational establishment... What we have here is a confrontation between lay forces [the State Board of Education] and professional forces [the State Department of Education and the unions]... Any monopoly or oligopoly is afraid of any move that'll threaten their control or power... Vouchers would break up the trade union monopoly...because less-than-good teachers would lose out and the union would lose dues-paying members."

This assessment of public education played directly into the Chairman's dealing with both the federal government and "the educational establishment" in New Hampshire. In both cases, his efforts to bring a voucher program to New Hampshire schools were unabashedly political. Believing that "the [federal] bureaucracies are oligopolies, afraid of loss of control over the education market," the Chairman dealt directly with the Secretary of HEW and with the White House (a tactic which made good political sense as his state's first-in-the-nation primary election commanded importance in the 1976 presidential campaigns).

Appointed chairman of the State Board in 1973, his leadership

immediately put the State Department and the NHEA on notice that their "control" over public education was in for constant "lay review." He openly condemned the union's lengthy strike in the Timberlane district and began "bringing the Department into line by rejecting almost half of the Department's proposals to the State Board in my first year." These actions made public knowledge of the fact that he saw the State Board as a more active and powerful body than it perhaps had ever been. Vouchers were the keystone to his campaign; the Chairman made no bones of the fact that the project would change the face of public education in the state. His campaign took on all education professionals, from teachers to the state Commissioner: "To schoolmen, this project is a threat. [They've] lived [their] lives in an ordered, expanding enterprise that is, in fact, a monopoly now."

In spite of the fact that the Chairman viewed his role in advancing the unregulated test as "if anything, my mark on history," he took a backseat in project affairs in New Hampshire after the initial campaign to the districts in 1974. While he remained active behind the scenes, he felt that "I have to be very careful not to intervene directly [within the state's education superstructure]... This is the Commissioner's job. I can't take over, but can only be supportive." This strategy perhaps made good sense, for a person who had not won many advocates within the professional education world in New Hampshire. Everyone knew he supported the program wholeheartedly and while this fact did encourage some local citizens, it seems to have undercut any philosophical support for vouchers among teachers and administrators. During 1975 and 1976, the Chairman was publicly mute; he had very little direct role in the work of the Local Project.

Within the State Department of Education, the Chairman's heavyhanded advocacy for the program appears to have created tension. From the Commissioner down through the superintendents, most professionals were publicly supportive of or at best silent about vouchers while they privately, within their fraternity, voiced doubts about it. Their public tack was to say that "the idea is worth testing here." The Commissioner and superintendents, instead of arguing for vouchers on philosophical or service grounds as the Chairman did, simply pushed the project ahead as "an experiment that could tell us some valuable things."

The superintendents, in particular, saw the possibility of federal financing as a prime reason to support the test. When it became clear

in the Fall of 1975 that the incentive grant would not be a guaranteed "windfall," however, their support dwindled significantly. In general, educational leaders at both the state and local levels took a noncommittal stance throughout, deferring to their immediate employers, the district boards and the State Board.

This posture translated into a strategy of "remaining on call" to attend meetings, to offer advice to the project staff, and even to make public presentations. The State Department and the Commissioner, in the latter's words, "have not been too active [since early 1974]. We're on call. They [the project staff] used our statistics originally and we helped with the proposal writing." Thus, the Local Project Office received little overt encouragement from New Hampshire's professional education fraternity to advocate the voucher program at the local level. In some respects, the relationship between the Local Office and the superintendents and State Department was reminiscent of that between the Local Office and NIE. The absence of initiatives or clear program preferences from these authority positions, given the Local Project's hesitancy to act, made their efforts at public motivation and program design doubly difficult.

The State Project Director, whose responsibility it was to act as liaison between the State Board and the State Department on one hand and the Local Project and NIE on the other, did little to fill this leadership vacuum. When the focus of activity shifted to the local level in 1975, the State Office became nearly a vestigial agency. The Director listed his responsibilities as "monitoring, technical assistance, communications, and policy and systems development" at the state level. Because little policy was developed at the state level except by the Chairman, this left few duties but those of general assistance and oversight to the State Office.

The State Director stayed abreast of activities in the entire site, attended meetings, and wrote proposals to maintain his office. He was on occasion an important spokesman for the Chairman and Commissioner. The overall lack of initiative from the state level during the final eighteen months led some disillusioned participants to think that the State Project Office had been purposefully funded by NIE to divert controversial figures such as the Chairman and Governor from involvement with the districts. NIE and CSPP were in fact concerned that state personnel would jeopardize local support for the project.

When the project appeared doomed at the local level, the State Project

Director, the Commissioner and the Chairman all felt it improper to intervene with school personnel or citizens. In December of 1975 and thereafter, these top state personnel looked at Salem as the only possible voucher district. In the words of the Commissioner,

> "Some say in order to [salvage the first five districts] we should go down [to the districts] and twist their arms. We don't operate that way in New Hampshire. There's no way we can go in and push anyone at the local level."

The Chairman viewed the demise of the entire project as confirmation of local board and professional unwillingness to give up their collective stranglehold on public money and local power. As the project wound down, he was uncharacteristically silent. Personal illness and a belief that the water had already passed over the dam limited his effectiveness to a few brief steps to bring Salem into the test.[2]

THE "FACILITATORS"

Chapter II described the emergence of the Center for the Study of Public Policy and of the Professor as an important network between state and federal voucher interests. The first CSPP Director and the Professor together conceived and wrote the Revised Feasibility Study and acted as negotiators for their respective "aides" in the process. In the two years following the November 1973 approval of this study, participants throughout the site came to rely on the mediating role played by these two, but circumstances made this function increasingly difficult for them to serve.

Given NIE's halfhearted interest in the New Hampshire voucher program and given the Chairman's estrangement from the professional education community in New Hampshire, CSPP and the Professor stood to play very important roles as intermediaries. The Center was the "field operation" for NIE, monitoring events in the site, offering advice and technical assistance, and communicating almost daily with NIE so that the Institute's actions would be informed and purposeful. The Professor served similar functions for the Chairman but also acted as a free agent within the project. While he saw himself as a "go-between" at all levels of the project and communicated quite frequently with CSPP's

2. Following the district votes against the voucher, the Chairman began a new effort to make it legally possible for willing districts and non-public schools to engage in a modified voucher system on their own. His support of the concept, together

Director and the Chairman, he also considered himself an important author of the test and as one who had "more of an interest in the project than any administrator."

The Center's place in the project became increasingly important through 1974 as funding delays and internal politics sapped NIE's energies and as New Hampshire became impatient. The main architect and agent of CSPP's role was its Director -- perhaps the only man in the entire site who commanded the respect and personal trust of all participants. Whether assuaging the fears of worried state officials, planning ways to place pressure on an appropriate agency, or relaying information and offering advice to NIE or the Chairman, those who knew him reported that the Director carried off his work with skill and compassion. Many participants in 1975 attributed the survival of the New Hampshire project to his efforts over the first eighteen months.

The Director's struggle against terminal cancer took him out of the project's daily operation in October of 1974. When he died in May of 1975, the void he left was, as the Chairman put it, "immense." The failure at CSPP to appoint another director until August of 1975 left the "higher levels" of the project without an important communication link and strategist for a long and critical period.

The Professor considered himself equally critical to the voucher project as CSPP's Director was, only as an overseer of the field work conducted by the state and local voucher offices. He repeatedly stepped into the operation of the project, after consultation with the Chairman, to rectify what he saw as "movement in the wrong directions." When the first State Project Director began to publicize the project in terms that violated the Revised Feasibility Study "model," the Professor confronted him and forbade him to continue. At the suggestion of the Chairman and Commissioner, the State Director hired the Professor as a consultant with particular responsibility for translating the free-market voucher model into a practicable design.

The Professor's concern that the project offices needed conceptual and administrative guidance and that the Revised Feasibility Study model needed "protection" led him repeatedly to intervene "for the best interests of the test." Consequently, he was active in public presentations on the voucher, in drafting proposals and legislation, in working out the design at the local level, in negotiating the entry of Salem in late 1975, and in developing the "hold harmless" policy for parochial

2. (continued) with new interest from some citizens, may lead to a state-organized variation of the free-market voucher scheme in the near future.

inclusion. Although hired on as a "consultant for model interpretation" at the local project in 1975, he roamed throughout the site, communicated freely at all levels, and in the process did not always ingratiate himself to other participants.

Most consequentially, the Professor crossed the Center early in 1975. Feeling deeply the loss of their director, both personally and as an organization, staff at CSPP grew concerned that the Professor would jeopardize the project by single-mindedly pursuing his own vision of the model and by doing so in a "politically inept" manner. Without a director, CSPP's site representatives could not establish themselves in the communication network connecting NIE's voucher director, the Chairman, the Professor, and the Commissioner. For the first time since the project's introduction to NIE, CSPP was not privy to top level state information and strategy before it reached the uninformed and none-too-supportive ears of the NIE office. Although CSPP worked closely with the State Director and the Local Project in early 1975, the Professor remained the only direct link between these operations and the Chairman and between the Chairman and NIE. The emerging domination of the Professor in this "behind-the-scenes, informal network" led CSPP staff to feel the project was destined for rocky going.

In June and July, when the Local Project and state leaders grew suspicious of CSPP's and NIE's attempts to develop an overt policy of parochial inclusion, CSPP was purposefully "cut off" from the operation. As the discussion in Chapter III illustrates, CSPP never regained a position of importance as informed facilitators between the state and federal offices or as a technical support crew for the local effort.

In September, the new CSPP director attempted to insert himself into the site, but the Professor, the Chairman and the Director himself never believed he could regain the position of the first director at that late date. Although the new director argued successfully for the New Hampshire project at NIE at a point in late September when some NIE voucher staff wanted to "call it quits" on New Hampshire, his contacts with New Hampshire personnel and his knowledge of conditions within the state were never adequate to place him in the critical position the first director had occupied.

The Professor and the new Director of CSPP came together several times in November of 1975 to open the way for Salem and, at the November 24 Executive Board meeting, to "redirect" the Local Project and

district designing efforts. These efforts came, however, when the entire site was in disarray. As Chapter IV describes, the impact of this intervention was to destroy any hope that the "first five" districts could survive and be funded.

At this time, the Professor, believing that Salem was the only remaining chance for a test and that it must be spared the "administrative bungling" which befell the first five, seized sole authority over Salem's entry. His subsequent efforts at the state and federal levels to ensure that Salem studied and voted on "the New Hampshire Model" (the Professor's interpretation of the Revised Feasibility Study) created new hostilities. The State Director and CSPP's field representatives in particular believed the Professor's efforts were unrealistic and self-serving. CSPP's Director essentially withdrew from on-site participation and, as several staffers in New Hampshire and at NIE stated, "New Hampshire vouchers were left to die gracefully."

In January, CSPP's site representatives and the Chairman briefly resuscitated NIE support for Salem and reviewed with the Local Director the possibility of negotiating a model design more palatable to the districts than the Professor's. On January 21, NIE and the Chairman symbolically jettisoned the Professor from the project by disregarding and countermanding, respectively, an ultimatum he had presented giving him major authority over Salem's participation. Following that, NIE hesitantly cleared Salem for study/planning activities and project staff, with CSPP's encouragement, made the belated change in the Phase II Report's definition of "alternative."

CSPP and local staff mounted a modest effort to rally support for the program in Salem. They did not, however, act in concert. The Local Director approached Salem saying that the Phase II Report "details the program you'll be getting here. It's all set down right here in black and white." CSPP personnel, acting from their own desires to "bring at least one district in," approached Salem's superintendent in a last ditch effort saying,

> "that the State Board Rules and Regulations [delimiting voucher participation based on the Phase II Report] are only temporary and preliminary and that the Feasibility Study and the Phase II Reports are as well...

There's not much that's been legally binding yet."

Salem's Superintendent later stated that, "This thing was unclear [in 1974] when we looked at it because no one told us the same story twice. It's gotten clearer since then but it has always been too scattered and inconsistent...It was just not jelled [and was] too political." The fact that this man had been approached by several people in the voucher program, each claiming to know the straight scoop, and had heard different versions of the program and of on-site politics was ample evidence of the site's disjointedness. It seemed, at this point, that "the facilitators" had in fact done the opposite of what they were intended to do.

As a program which was initiated at the federal and state levels, the New Hampshire voucher effort sorely lacked guidance and leadership from those levels in its final months. In turning over most of their active participation in the project to consultants and to the local level, NIE and top-level state officials obscured their own purposes and roles. Perhaps more consequentially, they left room for local participants to generate misconceptions about these purposes and roles and they failed to step into the project when these required clarification. When the "consultants," furthermore, ran amuck of one another, the project became irreparably polarized.

It seems quite logical, given these circumstances, that those working on the front lines of the project would encounter difficulties identifying lines of authority, policy and communications. The unwillingness of state and local project staff to move without a clear mandate "from above" brought the program perilously close to paralysis. The misconceptions of role and personal hostilities that increasingly clouded organizational relationships made NIE's and state officials' "hands-off" postures ultimately very damaging.

Part III

Endpoints and Interpretations

Chapter 6

Summaries of the prevailing feelings and views of district townspeople and of teachers and staff in district schools with respect to the voucher program prior to the votes; narratives of the voucher decisions and votes in the six participating districts.

Chapter 7

Summaries of four major viewpoints on the New Hampshire voucher project which arose during the three-year experience and became influential in decision-making and opinion-setting.

Chapter 6

The View From The Communities

Each of the three federal awards to the New Hampshire voucher project stipulated that citizens be involved in the planning of a voucher test. School districts, under the terms of the 1974 state contract, were to demonstrate "informed consent" by a vote of the citizens before entering the study/planning phase. The "local grant" (covering this phase) was to deliver the results of those activities to citizens, and finally was to ask them to vote on implementation. All the most critical decisions--those governing the very existence of the project--were open to a veto from the people whose schools and lives would be most affected by a voucher test.

How did these people react to the concept, to the program, and the role they were given in making the decisive choice? Did local school staffs influence these reactions? While federal, state, and local voucher staff worked and lived with the daily tasks of a developing project, what was happening in the towns?

District populations had access to information about vouchers through four channels: personal contacts with knowledgeable people, public meetings, mailings and the media, and local schools. In general, none of these channels saw steady or even regular use during the three years of history. Nearly all contacts with the six "final" districts were

initiated by the voucher offices in New Hampshire. These were few enough in number to be fairly easily documented.

The first heavy barrage of voucher information came in the Spring of 1974. The State Voucher Office arranged open forums in all interested districts; one and sometimes two public meetings occurred in each of the six districts that Spring. In addition, radio, television, and the newspapers carried regular news of the project's activities, including explanations of the project, editorials for and against, and in the state's two major newspapers, a Sunday insert covering the full details. Altogether, project staff made personal appearances in some 30 communities that Spring and, from all indications, the voucher idea circulated quite freely through communities in the Southern tier of the state during that period.

Following the votes by most communities against a study of the idea (faithfully reported town by town in most newspapers), the project hit a public lull. June of 1974 saw NIE and CSPP personnel making their first visits to local school board meetings in the seven districts that had agreed to engage in study and planning. For the remainder of 1974, public access to voucher news was limited to occasional articles describing NIE's funding difficulties and the rising frustration of state officials as the project stalled. Only school board members and the three superintendents received any regular communications from voucher staff.

With the approval of the study/planning grant in early 1975, these local school leaders became engaged in overseeing the Local Project staff. In their roles as members of the Executive Committee and the Executive Board, the superintendents and district board members became privy to the operations of the Local Office and to events in the state and federal voucher network. District citizens, during 1975 and early 1976, were thus able to learn about the project if they knew a school board member or a superintendent.

Beyond that, each taxpayer received three generally-worded brochures in the mail during the late summer. Local Project staff, the Professor, and CSPP personally briefed school staffs on the concept in June and again in February. Very little information appeared in the public news media during the term of the local grant.

Salem was the only exception to this pattern of district contact. Vouchers were the topic of several public meetings and hearings and a

regular part of the local newspaper's coverage for six weeks in February and March, 1976.

SCHOOLPEOPLE

> "This competition [fostered by vouchers] could lead to a very uncomfortable feeling as a teacher. Hollis Teacher, 2/4/76"

The principals and teachers of the schools for which the voucher program was proposed remained an enigmatic group throughout the history of New Hampshire vouchers. Project staff were never sure how to regard schoolpeople, as "suppliers" who might naturally oppose the free market voucher or as an important link in a successful community campaign. Both voucher offices were well aware that the teachers union had mounted a major offensive against vouchers in early 1974. Although no district chapter of the NHEA had organized to battle vouchers in 1975 in the original five districts, project staff tended to assume that the union's stance on vouchers carried over to most teachers.

The NHEA's fundamental argument, as union spokesmen appeared with the voucher and SDE personnel at district meetings in 1974, was that the model was "too unregulated." They contended that the "near total lack of controls" over the test would, among other things, 1) remove education from the guardianship of the state and the education profession; 2) increase the flow of money to private, and perhaps, "quack" schools; 3) produce serious legal entanglement of public and religious schooling and monies; 4) create socioeconomic and "intellectual" stratification by schools; and 5) put public school facilities and public school teachers out of operation. In addition to philosophical and programmatic disagreements with voucher advocates, the New Hampshire Education Association leadership belonged to a different political camp than the Governor and the Chairman. It seemed almost a matter of principle for them to oppose programs proposed by these conservatives.

Whether prompted by the NHEA campaign in 1974 or the result of personal reflection, schoolpeople in the six final districts did voice some of the NHEA's concerns during 1975 and early 1976. Teachers and principals, however, were less concerned with specific arguments to the voucher program than they were with the vagueness and uncertainty of the program. As one principal put it in the Fall of 1975, "There's nothing I know that I can tell people about [vouchers]. What will it do to

a good school? There are lots of questions and we're not getting any answers." School personnel in all of the first five districts claimed this same ignorance about the program and said they had only been approached by the Local Office once or twice for informational purposes. In February, 1976, another principal told the site historian that "I've seen you more often than anyone else in the voucher project."

At the meetings conducted by the Local Office for the staffs of the schools in each district during February, 1976, several issues were raised which indicate where teachers tended to stand on the "final product" the Local Office presented to them. These issues are summarized and illustrated as follows:[1]

As professionals, schoolpeople believed themselves qualified to decide what educational experiences most suit children. One teacher asked rhetorically, "Really, who's the most qualified to determine what school is best for a child?" (The Local Director answered: "I know what you're thinking! [But you're wrong], it's the parent in every case!")

Teachers and principals viewed themselves as guardians of parental and student interests and believed those interests already had their just position in influencing school curriculum and policy. A principal: "Why [does the voucher office] put principals and teachers under the 'supply' category? I see us in between [supply and demand]!"

Some teachers saw the element of competition doing damage to a unified, supportive community school: "I see this concept as a good one because it would make teachers accountable to parents... But it's destructive to community schools like the one we have here... Community schools force people to work together."

Uneasiness with the lack of controls over the test and with the possibility some students and teachers might become casualties of it came up repeatedly: "Some schools might pull off the cream of the crop students. How would you protect against that?" (The Local Director's response: "We wouldn't...")

Introducing a new program, some felt, would simply disrupt the progress they had worked for in recent years: "I can't see starting an alternative program in this school now, when we've just gotten off the ground with the program we have!"

Some were fundamentally unwilling to believe any new program suggest-

1. No survey was taken that would indicate how representative these views were. these samples illustrate the most commonly articulated reactions to the Local Project's final presentations.

ing such sweeping changes in the definition of education could be an improvement on the existing system: One of the three superintendents put this best: "I believe in public education. It's worked very well for 200 years. It will serve the people just as it has all along... It [will be] very important to make sure all voucher schools keep up the high standards we must abide by [if the program goes]... Will we give up 200 years' worth of experience, though, without some assurance that what we're heading toward is better?"

In those schools where staff considered their programs better than those offered in neighboring districts, there were fears that the voucher test would weaken the quality of their schools. One principal: "My staff wondered if they had to spend less time teaching and more time trying to please parents." And another: "The only thing that scares me is the possibility of increasing our size so much [through incoming students] that it would hurt the academic aspects of our program."

Many principals and teachers commented on the inconsistency of the information they had received on the project, on the spectre of added paperwork and inevitable "screw-ups" they associate with state and federal programs, and on the simple absence of any excitement for the voucher idea in the districts. "I don't think vouchers are gonna go here," one assistant principal said, "Most of our staff wasn't enthusiastic [after the June, '75 workshops]. There was too much paperwork, too many 'ifs' and 'buts' from the voucher people."

And a principal pronounced himself "kind of worried now about vouchers" because it was November, 1975 and, "Teachers know so little, they can't draw any conclusions! There's no talk about vouchers here... The School Board is completely new since 1973... They'd want all the answers before making any decisions or recommendations on the voucher plan. Without their recommendation at the March meeting, forget it... People turn to them for their answers."

Schoolpeople's lack of knowledge about the project made them unable to argue confidently against it. On the other hand, it also left them unable to argue for it or to pass any knowledge on to parents. To the chagrin of project personnel, few schoolpeople demonstrated a deep interest in the project.[2] In all districts except Salem, teachers and administrators below the superintendent level appeared to have little community impact one way or the other.

2. Through most of the project, federal and state staff felt local boards and superintendents were motivated to "play along" only by the promise of federal funds. Teachers never initiated any contacts with the voucher offices, save for the union's state office activities.

TOWNSPEOPLE

Deerfield Resident: "What I'm gettin' outta what you're sayin' is that if Allenstown has a darned good fourth grade teacher, that everyone would want to send their kids there."

Local Director: "Yes, and other schools would look for teachers like her."

District School Boards formed the most regular channel, deemed most trustworthy by citizens, through which information on vouchers entered the districts. As the principal who is quoted at the end of the previous section notes, school board members are viewed both as community leaders and as knowledgeable opinion-setters on educational issues. Thus, the board members' experiences with the state and local offices, with CSPP and the Professor, and with the Executive Board meetings in late 1975 may have played an important part in deciding the outcome of the Budget Committee and District Meeting debates on vouchers (see Chapter IV).

By and large, townspeople in the six districts found themselves operating in an informational vacuum regarding vouchers in late 1975 and early 1976.[3] Those who turned out at public meetings or were interviewed by the historian tended to oppose the program because they did not know enough about it or because they felt their information unreliable. "In two years," one Hooksett woman said, "[the full information on vouchers] should've come through by now... I was against it because I didn't understand it... I might have lost out on something good, I don't know!" Many townspeople seemed to agree with a man in Salem (the one district where the Phase II Report had a chance to circulate):

> "I am for the voucher in concept, but this is not detailed enough and I don't want to vote for a blank check... The issue is responsibility over education. We need more definition and clarity of program. Otherwise, I'm opposed."

Related to this feeling was a fairly widespread belief that the program was too complicated, perhaps even so elaborate that one could never be

3. This catalog of views is not a balanced profile of public opinion. It is rather a summary of the major opinions voiced at public meetings on vouchers, with comments on frequency and salience included only where the historian deemed it accurate to do so. The reader interested in a

sure of what he was getting himself and the community into. "It's awfully complicated," one district board representative to the Executive Board mentioned, "Not many people here understand it." A citizen who turned out at all the voucher meetings in his town pronounced, at the end of one meeting: "Unfortunately, they made it so damned complicated they'll never convince anybody to support it."

When confronted with the complexity of the program, some townspeople backed away from it and viewed it as an alternative to the familiar, community-centered system. As one Executive Board member said, "I don't want the voucher. It's fine now the way the schools and town are...." A parent in another district claimed that "we have enough to do within our own system...We should put our efforts there first."

In general, district citizens had a great deal of trouble learning how the voucher program would work. More often than not, audiences that were sympathetic to the philosophy of the unregulated voucher balked at the technical aspects of the test. Townspeople were repeatedly skeptical about the evaluation component (which was left uncertain because, as the Local Director explained it, the federal design was never delivered to New Hampshire). Citizens were also upset by the large amounts budgeted for administration (nearly 50% of the test budget); such expenditures seemed wasteful and, to one person, typical of the federal government's carelessness with our money."

Support

Considerable support existed for the fundamental idea of choice of school programs. In fact, the four districts without high schools were already involved in "a voucher type of set-up" at the secondary level. The greatest difficulty confronting those who publicized the test was demonstrating how the unregulated philosophy translated into the proposed design. As one vocal supporter, the editor of the community paper in Salem, said:

> "It's very hard to justify the voucher idea in a particular site, as an answer to specific local needs. That's too narrow a view...People must see it in grander, philosophical terms--ensuring Liberty for people in America in the long run. How do you say

3. (continued) systematic survey of citizen views on schools and on some aspects of vouchers is directed to the Local Project's community survey report (on file at School Finance and Organization Division, National Institute of Education, Washington, D.C. 20208).

this to the guy worried about his taxes, his local schools etc.?"

The program did generate public support in some districts, most notably in Salem, and, briefly, in Candia. Vouchers were seen as an important instrument for guaranteeing parental influence in education: "I'm worried about our schools. We can't have an impact on our school board the way it is. We've got to put pressure on our schools to improve. This is how we can do it!" And: "We have no assurances now that public schools will respond to our demands. This program only puts the schools on notice that we parents will demand results from schools!"

In Salem, the only district where the program as it was presented in early 1976 appeared to have a chance of gaining money for the district, several citizens emphasized this point repeatedly. The most ardent supporters saw the program as a rare bargain: "We have a chance to buy an antique Stradivarius violin at a five and ten cents store!"

Support also came from citizens who wanted to send their children to sectarian schools. Many of these apparently attended the public voucher meetings, but were discouraged or confused by the element of risk associated with testing sectarian inclusion. As one such parent mentioned: "Personally, I think it's a great idea, vouchers. When you limit options to private non-sectarian [schools], I get skeptical though." Several parents did express an interest in following through with a court test.

Criticism

In public discussions and in private interviews, townspeople more frequently criticized the program than they lauded its strengths. They were generally concerned with the absence of protective controls in the test. One district school board member, for example, stated that "I can't, and nobody can, guarantee you a new school's performance. If your kid loses out for two years and the new school closes down, don't come to me! Go to the state and federal government!"

The Local Director, the chief spokesman for the program at most public meetings in late '75 and early '76, responded to such concerns by admitting to the risk involved and by explaining how the open-market model was designed to respond to "huckster" schools and to shortages of

educational alternatives. For example, in Salem where few alternatives to public schools exist aside from the parochial schools and "Exeter Academy [which] is too expensive for me to afford," this interchange occurred:

> Citizen:
> "If parochial schools chose not to receive kids, where'd kids go in September?"
>
> Local Director:
> "I can't tell, it's up to the parents. We want to find out [if supply will respond to demand]."

Though true to the free-market model, similarly ambiguous answers were provided to parents who were worried that permanent "damage" might be done to their community schools, to the investments they had made in those schools, and to their children. Few people, it seemed, had faith in the free-market system, at least as it applied to education.

Related to this deep concern was a mistrust of the federal government. Townspeople frequently asked if they could be assured that the federal government would not "pull out on us" financially before the seven-year test period was concluded. Again, the Local Director could offer no assurances, though he did indicate that the districts also had the right to "pull out" of the test and "take what you've gotten from it" at any time. Others simply saw the federal sponsorship of the program as a dangerous affront to local autonomy:

> "We voted this down once [in Salem in 1974]... The federal government came here and I heard: 'We want to give this program to you so that we can evaluate if this school is good for your kids, your parents, your town.' Government is pouring in all over!"

The federal research interest in the voucher program, faithfully noted at each public presentation by the local staff, led to local anxiety as well. In this context, the voucher program was viewed by some as "an experiment," as social manipulation of innocent citizens' lives by an omnipotent "they." Many townspeople did not understand that the districts had

themselves opted to study the test and had the right of voluntary consent in the matter:

Parent:
"Why was New Hampshire and these towns chosen for the test?"

Local Director:
"They weren't chosen! The state and the districts elected to join!"

Considerable hostility was directed against the notion of social experimentation. A common theme in the 1974 meetings and again in 1976 was: "If you're going to experiment, experiment someplace else where they can take the gamble. Then, if it works, get into it." A Salem resident put this point more concisely and emotionally: "They are asking Salem to be a federal guinea pig and you know what the guinea pig gets!!"

Beyond the anxieties raised by the risk of damaging district schools or one's children's education, townspeople most frequently attacked the financial aspects of the program. The Local Offices had presented "conservative" voucher budgets to the districts -- possible costs to the districts were maximized to show "what the risks are for your schools." District boards had also opted to include the maximum number of programs (such as vocational and special education) under the voucher budget, even though they did not currently carry them (or their costs). These budgets made the possibility of losing money in the test appear very real. Furthermore, the incentive grants, which were at first seen as unencumbered "windfalls" offered to the districts as "carrots" for their involvement, came to be seen as monies which would have to be used for covering the increased local costs caused by the voucher program (for example, to cover the vouchers of those who left the district but whose absence did not merit a "savings" in overhead in the district schools). The federal government, they felt, offered very little true incentive for participating.[4]

In fiscally difficult times, there was no sensible answer to the question raised by one parent: "Why should we have this voucher system if it might cost us money?" The test stood virtually no chance of succeeding when the Local Director had to come in public information meetings, as he did in five of the six districts, saying: "You'd have stood to lose

4. Recalling earlier discussions of this point, NIE never intended to have the "incentive" grant take all of the risk out of the free market test, as many citizens demanded.

$X,000 [if you'd voted to proceed]." Estimated losses ranged from $2,000 to $102,000. Even if a district chose to implement vouchers the risk involved in losing money through existing students made the chance of gaining money for local improvements negligible. As one board member stated it, "The only way we would gain financially would be if nobody left [the district with their vouchers] and what kind of a voucher program would that be?"

Financial concerns also emerged in the context of private school inclusion in the test. Some citizens saw the program as nothing more than a scheme for diverting public funds into private -- and parochial -- schools. One father noted, with considerable hostility, "What we're being presented with is [paying for private school kids]. Why should we?" Another spared even fewer words on the same point: "Will I pay to send somebody else's child to another school? No!" Suspicion of the program's intentions, and of the Catholic Church's investment in it, also surfaced: "I'm against it because I believe it's just one means of circumventing the Supreme Court's decision on the separation of church and state."

When coupled with the absence of affordable schools to which one might "voucher" a child, this aspect of the voucher program seemed only to add insult to injury. The moderator of the district meeting in one town reported: "What I hear most [around town] is: 'Where are the alternatives?' All this [program] will do is set up new schools, not [improve] our own schools." One would be less than intelligent, some citizens felt, to fund the schools which already offered a more expensive and consequently better education: "All I can see is private schools popping up everywhere...I can't see why we'd want to give up what we have to just compete with expensive schools."

District citizens, it appeared, felt that under a voucher system, the public schools would remain solely dependent on public tax money and would continue to be run not as aggressive, "cost-efficient" businesses but as sleepy and complacent bureaucracies. Here, a fundamental intent of the unregulated model -- to wake up the slumbering public-school giant -- never came across convincingly to the public.

Added to these concerns about the program were a number of technical and political suspicions about the probability of the program's success. At nearly every public meeting, people asked where else in New Hampshire and the country a voucher program was operating. When voucher

spokesmen reported that no other systems had adopted the unregulated model and, in fact, that most systems in the state which had considered it had declined to proceed with implementation, townspeople tended to suspect the idea. In addition, people questioned whether alternatives could realistically establish themselves in the five years of full federal funding. They wondered if the legal intrigue surrounding the sectarian issue would effectively annul the issue of educational choice. Furthermore, as each district voted down the test or had the issue decided by Budget Committee action, the possibility of attracting vouchers from neighboring districts to offset those that might leave the home district grew increasingly slight for those districts that remained.

In several instances, seemingly unrelated but explosive issues became tied to the voucher concept in public meetings. Most frequently, the matter of racial integration and forced busing in Boston tainted voucher consideration. Some people erroneously thought that joining the test opened one's own schools to voucher-bearing students "from anywhere," suggesting that if the project were successful, it would be "the answer to forced busing" and blacks would come knocking on their doors. One man claimed that the absence of a voucher program in Boston was evidence that the idea was flawed: "This'll never stand up in court. If it would, Boston would've adopted the idea and schools would be opening up like Kentucky Fried Chickens!"

Similarly reasoned comments derided the voucher program because New Hampshire's controversial Governor supported it or, on the other hand, advanced the program as a deterrent to a supposed "take-over" of national policy-making by the NEA. The impact of such statements, and such reasoning, is of course difficult to assess.

District voters overall hesitated to back the voucher program at the public information meetings. They knew too little about it and, perhaps understandably, their first exposures to it in early 1976 were dominated by questions about its possible negative effects. The tardiness of these presentations gave proponents little time to organize and left time too short for the majority of initially skeptical voters to build confidence in the program. When the time came to vote, citizens in the three districts where the issue remained technically alive were not prepared to support the voucher program for their schools and children.

THE DISTRICT VOTES

"We're getting cut to ribbons [in the

districts] on the financial stuff -- the supplemental vouchers, incentive grant, and so on. [Townspeople] never get [past the technicalities] to the philosophy issues!"
Local Director, February 10, 1976

Chapter II has described the disposition of the voucher test in each of the six districts prior to the March 1976 District Meetings and it has reported the outcomes of those meetings. In Hollis, Hooksett, and Deerfield the Budget Committee in effect made the district's decision not to enter the test by voting not to present a voucher budget to the District Meeting. In the other three districts, the issue came to the floor of the Meeting and was defeated.

When the Local Office sent the voucher budgets to the Budget Committees in Hollis, Hooksett and Deerfield, committee members had little knowledge of the proposed program. To win Budget Committee approval for the voucher budgets, committee members not only needed time to understand the complex program but they also had to believe the voucher system was worth the risk of asking taxpayers to appropriate new funds for the test. Neither the Local Office nor the local School Board members who sat on the Executive Board were able to reach the Budget Committees in these three towns early enough or with enough persuasion to shepherd the test past this unforeseen hurdle.

The Local Project Staff, in December and January, presented voucher budgets to these committees before the Phase II Report was available and before public meetings were conducted to explain the program for which the budgets were intended. Further confusing the issue, the fiscal aspects of the voucher test were impossible to pin down, since they depended upon how many students would elect to attend school outside their home districts. Consequently, the voucher test's budgetary details remained vague and variable.

In addition, the Local Project gave Budget Committee several program and budget options from which they were to choose the type of system they preferred (see Appendix I). Most committees, believing they could receive substantial federal funds through voucher participation, selected the options which included new or expanded services to their constituents (for example, providing for high school students to "voucher" to expensive vocational schools when current programs excluded that

service). Unfortunately, these options increased the costs of the voucher program and the risk that districts would overrun the federal grants intended to defray the cost of participation. Such overruns would have meant new costs to the districts, making participation in the voucher program more expensive than the familiar and, for many, satisfactory school programs (surveys of the districts showed that between 7% and 13% of parents would have used vouchers to send their students to new schools).

Given these conditions and the fact that the School Boards in Hooksett, Hollis, and Deerfield did not fully understand or back the voucher test, it seems in retrospect no surprise that the Budget Committees failed to stamp their approval on the voucher budgets. It was never clear that the citizenry could not have moved before or during the District Meetings to override the Budget Committees' decisions. However, the ignorance of district voters about the test and the pessimism and ambivalence of the few knowledgeable leaders made that possibility very faint.

While the chances for an unregulated voucher test dwindled away quietly in Hollis, Hooksett and Deerfield, circumstances in Allenstown, Candia and Salem at least offered the opportunity for a noisy, public demonstration of concern over the program, if such a concern existed. Appendix J contains copies of the voucher articles and budgets presented to townspeople at the March District Meetings in these towns.

The Allenstown District Meeting took place on a warm Saturday afternoon in early March (the 6th). Good weather, in New England meeting mythology, notoriously brings out the people "with an ax to grind." The meeting saw many axes wielded, but none in favor of a voucher program. Most of the eighty townspeople who turned out did so in order to do battle over the district school budget. Several heated arguments followed motions to decrease both teachers' salaries and the total budget by 10%. Votes were extremely close, the first upholding the amount appropriated for salaries, but the second succeeding in mandating serious curtailment of expenditures for the coming school year.

The article proposing that Allenstown enter the voucher test came to the floor before these two major discussions had received attention proportional to its significance when compared to the financial affairs on everybody's mind. Rejection of the article was nearly pro forma. The chairman of the Budget Committee stated: "Two years back, we voted to study this, then bring it back to this meeting. We don't favor

[the program], but wanted to bring it back here [as we promised]." And the School Board chairman, rather apologetically, gave the "School Board's position": "We suggest you disapprove... It could cost you $102,000... if it got out of hand a little bit." With no further discussion, the Meeting voted 59-0 against entry into the test.

Candia was the one district of the six which did not have a Budget Committee. The attendance of its board representatives at Executive Board meetings had been spotty; significantly, no Candia board member had attended the November 24 meeting (of Chapter IV). This inadvertent ignorance about the program, coupled with the Candia board's more positive outlook on the program, sent the issue to the Candia meeting with some chance of approval. The outcome of the District Meeting, it was said, was least predictable in Candia when compared to the other four "original" districts.

At the meeting on the night of March 4, the outcome did not remain unpredictable for long. An extraordinary turnout of five hundred of the town's fourteen hundred voters packed the small gym and overflowed into several classrooms. They had come, as one Candian put it, "with blood in their eyes" -- not for the voucher program but for a proposed $415,000 addition to the district's one school. Debate over the addition was raucous and lengthy. Supported by the three-member school board and presented by several apparent newcomers to town, the proposal was roundly condemned by the large majority of apparent natives. After a lengthy debate and several angry exchanges, the proposed addition was defeated, 394 to 92.

In this emotional climate, and at the late hour of 11:00 p.m., the voucher article came to the floor. The Local Director, who had been asked to answer questions, spent forty-five minutes fielding townspeople's queries about the program. During this period, loud and unsolicited comments made it quite clear that the majority which had just failed to alleviate the crowding in their own aging school was not seriously considering the idea (two samples: "You're crazy!" "It's a plot to bring bussing to Candia!"). Proposed and supported by the School Board which had been angrily defeated on the construction issue, the concept had little chance of an open hearing. At nearly midnight, a show of hands defeated the voucher test by an estimated 440 to 6.

Salem had been a different case from the other five districts all along. Between April of 1974 and November of 1975, the voucher program had

been counted out of the picture there. Representatives of the school system and the community had not taken part in the study/planning activities of 1975. Between November of 1975 and late January of 1976, the Salem School Board voted to study the plan again and waited for state and federal approval to do so. Once these came in mid-January, only six weeks remained in which to mount a community campaign to inform voters by the March 20 meeting. Most significantly, Salem school officials were given little role in planning the test. Unlike the case in the other districts, Salem was presented with the Phase II Report; the Local Director told Salem their choice was to study and vote on the plan, but not to alter its form.

In early February, the Local Project Office placed a staff person in Salem three days a week. Presentations to a variety of groups were arranged. News releases, brochures, and copies of the Phase II Report were made available to papers and the library. The editor of the one local paper (circulation 2200), a longstanding supporter of the unregulated voucher model, gave prominent coverage to the program. Very little organized opposition surfaced at any point during the month and a half of "community campaign."

Through good fortune alone, the Salem Budget Committee had not completed deliberation on the school budget when the voucher project received federal clearance to "study and plan" in Salem. Hoping to avoid the mistakes they made with Budget Committees in the other districts, the Local Project staff made several appearances before the Salem Budget Committee. In addition, the Director met informally with the chairman and a member of the committee and pressed for approval of the voucher budget, arguing that the District should have the chance to decide on the voucher issue. After a thorough question-and-answer session at the Budget Committee's public hearing on the voucher budget on February 25, the Committee voted by 6-0-1 to "recommend" the voucher budget and article for consideration at the District Meeting.

Contrary to the Local Office's earlier intentions, the public information campaign in Salem was limited to a few appearances by project staff. They addressed three small community groups, at the groups' requests. A public information meeting was called and conducted by the Local Office on March 11 (attendance: approximately 70 citizens). A panel discussion took place on March 18 involving the Local Director, two Salem students, two parents, and a representative of the Salem teachers' union and was broadcast over the high school-operated cable

television system.

Although a sizable Catholic population exists in Salem and the town's one parochial school stood to gain from a voucher test, most school leaders on both the public and sectarian side felt any solicitation of or advocacy by parochial parents should remain "informal" and low profile. Project staff made no efforts to rally or inform public school teachers or administrators (the union, project staff felt, was a volatile force).

As the District Meeting approached, most local proponents and the Local Office gave the test a fair chance to succeed. Although the voucher program had not emerged as a topic of discussion and keen interest in town, those citizens who phoned the Salem voucher desk and those who attended the open meetings seemed eager to learn about the program even if their support for it was mixed. The test had received positive coverage in the local paper, in the few meetings and over the cablevision and, in spite of the fact that no more than 20% of the population subscribed to these, no public opposition had emerged. Dissatisfaction with neighborhood schools, the sizable parochial school population and the crowded conditions of several buildings all appeared to militate toward public support for the voucher program.

The Salem District Meeting on Saturday, March 20, saw the lightest turnout in over a decade (perhaps, again, the result of Spring-like weather). As the meeting moved through the first warrant articles, no large issue or significant mood appeared to dominate the group of almost 500, save for an overriding interest in trimming money from the school budget. The voucher proposal, article five, was moved and seconded by two of the four board members present. Two lengthy, rambling speeches by one of these men and by the local editor advanced the reasoning behind their support of the program. The complexity of the voucher design and the broad philosophical tack these men chose to take apparently weakened the coherence of their presentations; the audience grew restless as the speeches took on the air of filibusters. Other statements of support or opposition followed, with misunderstandings about the program appearing in both camps (at one point, a vocal supporter mistakenly claimed that "the National Education Association is going to fund this...").

In the hour and a quarter of debate, statements of support outnumbered opposing speeches. An amandment to the article was offered and passed, charging the School Board to negotiate a grant with NIE that would

"hold the District harmless" (without fiscal liability) were the voucher test adopted. Both before and after this "no-cost guarantee" was passed, a number of community leaders spoke for the project, including the State Senator from Salem, past and present school board members (two of the four, in the latter case), the assistant superintendent of schools, a selectman and several ministers. Counted among the opposition speakers were several teachers, one school board member, budget committee members and several other town leaders.

The school superintendent, who spoke frequently to supply technical information on the test, declined to take a position when asked. The debate aired a number of points covered in the previous sections of this chapter and grew quite heated. When the moderator called for a vote, it seemed to the historian that the "sense of the meeting" was pro-voucher.

The vote, however, revealed that a large number of those opposed to the test had not spoken out. The issue was roundly defeated, 252 to 117. Afterward, some felt that there had been a block of teachers present, summoned by the union's statement in Salem's most widely read paper the previous day, and that this "block" had defeated the test as teachers were rumored to have done in 1974. Few local leaders, however, gave credence to this view in the following days. Instead, many felt that the program had died "of its own weight" and complexity. Fiscally-minded and largely Democratic Salem voters were simply unwilling to buy the radical open-market philosophy of the unregulated test.

The program had failed in the last of the New Hampshire districts and very possibly the voucher concept had received its final public airing at the local level in America for some time to come. Ironically, the district which had publicly considered vouchers most thoroughly and had voted most narrowly to defeat the proposal was the district with the least authorship in, and the shortest exposure to, the program.

Chapter 7

Four Views of New Hampshire Voucher History

The events and dynamics of the New Hampshire voucher experience between 1973 and 1976 lend themselves to numerous theories of social reform and human behavior. The foregoing description and analysis have indicated a variety of participants' interpretations of voucher activities. What follow are summaries of four major perspectives from which participants observed their work in the voucher project.

It goes without saying that no single view more accurately captures the whole of voucher history than another. The strength and utility of these four views lie in their ability to complement one another and to portray the complexity of this effort at educational change.

THE PARENTS' RIGHTS VIEW

The free-market education model posits that the interests of educational supply and those of educational demand are not, and cannot ever be, synonymous. The unregulated voucher model assumes that "the supply side" of the market cannot take all the concerns of "the demand side" to heart. In addition, the "establishment" interests of schools, educational bureaucracies and elected school officials will be sidetracked by the demands of self-protection and professional aggrandizement. By contrast, the interests of parents -- the ultimate and rightful

"demanders" of educational services -- will always be tied to the particulars of their own aspirations, their goals for their children, and the peculiarities of their children's needs.

From this perspective, the experience of New Hampshire vouchers is always prone to a conspiracy analysis. Several participants, ranging from the NIE site monitor to the Chairman to the Local Director, viewed the project as an exciting and important strategy for returning power over education to the individual "consumer." The project's failure can, in this view, be attributed to the inability of "suppliers" to cede their power and control to "the demand side," regardless of their rightful claim to it. Thus, the Executive Board's haggling over free market definitions and their inability to trust school quality and money flow to "the free market" can be seen as a reluctance to submit to parental authority. Similarly, those who took this view interpreted actions by the union, by the Commissioner, by superintendents and by local school boards as protectionist and monopolistic.

When considered in this way, the federal agencies' plan of action for New Hampshire voucher efforts appears parodoxical and brings federal interests in the project into question. The strategy that called for the participation of "suppliers" in setting up the program, placing some of them, such as superintendents, local board members and the Commissioner, in leadership roles, seemed in retrospect ill-advised. As one leading advocate of "free choice for the demand side" put it, "You're expecting the system to change itself and to expose itself to many more risks in the process. It's no wonder the plan failed."

THE ANTI-FEDERALIST VIEW

From the outset, New Hampshire participants suspected the federal "experimental" interests in the voucher project. In addition, it was common to hear them proclaim that "New Hampshire is unique," that outsiders and particularly agents of the federal government could not understand the state and its people well enough to "really know how things are done here." Consequently, New Hampshirites involved in the project frequently imposed a distance between themselves and NIE and CSPP. This distance left room for misunderstanding and mistrust. NIE and CSPP's own strategy of "standing back and waiting till we're called upon" contributed to the potential for misjudged motives.

Under these circumstances, the expected misgivings of a rural,

Republican state engaging in a federal project blossomed into significant mistrust in New Hampshire. Participants at all levels of the state operation repeatedly viewed NIE as an uncertain and careless force intervening in the lives of New Hampshire citizens for vague and perhaps self-serving ends. They repeatedly demanded clarification on policy and assurances of financing from Washington but seldom received them. Although a number of state participants were frustrated at having to deal with CSPP as a "surrogate" for NIE (thus increasing the distance), the project seemed to run most smoothly when CSPP's first director made the anti-federalist skeptics into believers in his personal trust and skill.

At nearly every presentation of the voucher idea to a new audience in New Hampshire, citizens asked what the government was "going to get out of it" and "who would pay for it when the feds pull out."

Although the spokesmen for the project were usually New Hampshirites (the two directors who were asked to resign were the two major exceptions), their explanations did not always calm these fears. Furthermore, when the project became badly fouled in its own politics in the Fall of 1975, even the project directors and other spokesmen in New Hampshire became suspicious, uncomprehending and openly disdainful of the federal role.

In this atmosphere, it was no wonder that "outside forces" took a large part of the blame for the demise of vouchers in New Hampshire. As one superintendent said at the end of the entire affair, "People here might have been willing to put up with the federal government and all its games if the money [they would have gotten for it] had been better."

THE RESEARCH VIEW

NIE, true to its charter, was primarily interested in the New Hampshire "test" on research grounds. Staff in the federal voucher office saw the project as a potential source of valuable information on alternative means of funding education, on bringing freedom of education choice to parents, and on placing public and private education within the same marketplace. The vocabulary and reasoning of New Hampshire's proposals to Washington were those of research documents; the public purpose of the project, as stated by nearly everyone, was "to test the assumptions of the Feasibility Study and find out if a free market education system works."

This rationale for the project became the source of immense frustration as NIE and CSPP staff found local project staff either losing sight of it or employing it so publicly that it justified a non-advocacy role. On one hand, the director of NIE's Voucher Office claimed "there is always this pressure from the local level to forget the research design aspect of the demonstration." On the other, NIE's Project Officer felt that the Local Office and other participants in New Hampshire were remaining so dispassionate, so much like researchers themselves, that they would not be able to deliver a voucher effort to test.[1]

The tensions over who governed the research effort and over how those in action roles were to conduct themselves were never resolved. Perhaps because of this, federal and state participants never agreed about what the "model" was and about who had authority to "tamper" with it. At various points, the two in-state directors, the Professor, the Chairman, CSPP and NIE all claimed some authority over how the test would be conducted and what the experiment would specifically test.

Those who felt most knowledgeable about matters of research -- NIE, CSPP, and the Professor -- were constantly striving to protect the research value of the site (although they never formally agreed on what that was). Consequently, history as they saw it seemed to develop from the interchange between their own research plans and those forces that "tended to reduce the possibility of our learning something new." Quite naturally, they ended up believing as one NIE staffer put it that "the risks of learning something in this [natural experimental] way were too great for people in New Hampshire. They never grasped the full idea."

THE PUBLIC SERVICE VIEW

In contrast with those whose central interest in the New Hampshire project was the expansion of knowledge, a number of primarily local participants approached the project with the short-term good of their children or constituents at heart. They viewed the unregulated test as an opportunity to expand educational offerings, to do so with federal assistance, but to do so without ceding any control over educational standards or their current budgets. They came to see the federal and state roles and the complex administrative and legal arrangements of the test as unnecessary and counterproductive to their interests. In this regard, their view of the project's history tended to cast as obstructionist the actions and viewpoints of project staff and state and federal representatives.

[1] NIE continually pressed state participants to deliver a voucher test, regardless of the precise terms of the test program. New Hampshirites repeatedly interpreted this as pressure to "sell" the federal "model."

One of the longest lived problems in New Hampshire's voucher experience was that of explaining the details of the complex program to the public in a comprehensible manner. In nearly all public presentations, the service goals of the project -- parental freedom of choice, expanding diversity, upgrading the quality of education -- were stressed. Inevitably, however, the financial, administrative, legal and evaluation components of the test surfaced. Because these were complex and because some of them were never fully specified, they practically always became the target of suspicions, misinterpretation and puzzlement. Speaking for most of those participants responsible for securing a fair public hearing for the program, the Deputy Commissioner said,

> "[Spokesmen] must simplify the thing. People are comfortable as is. If they say, 'I'm going to change everything,' townspeople will back down. It must be made more familiar to townspeople first. If [the spokemen] promise to restructure the whole delivery system, they'll blow it out... They shouldn't go public with the financing stuff... It's all too detailed and too threatening."

Townspeople and their elected school officials, the local boards, repeatedly expressed frustration at what one superintendent called "all this gobbledy gook" -- the special terminology, the research goals, and the EVA and VRC. The confusion of the Executive Board meetings, the failure of budget committees to ratify the program on short notice and the perplexed responses of many citizens at public meetings led to a view that project staff and the federal government did not know what they were doing. This in turn frustrated state and local staff. After the six districts had voted down the program, one New Hampshire official with long experience in the project said:

> "Federal involvement... complicated the thing too much... because of all the nitty-gritty details that must go into a federal grant... Take Deerfield. They've already got a voucher program! And you've got to bring in all this evaluation, all these (administrative) jobs... all this bullshit!"

In the end, the fundamental purpose for which local people would have supported the test -- the possibility of improving educational services -- was obscured. Thus, as many saw it, the history of the New Hampshire effort was a classic illustration of how those who were reputed to be sophisticated, knowledgeable, and responsible for public money and interest could botch up a good thing.

Each of these major views of the attempt to develop an unregulated voucher test has its own heroes and villains. Each implies a theory about causes and effects, suggesting "reasons why the project failed." The failure of such a complex experience as the New Hampshire effort, however, cannot be accurately assessed through any single view of the history. While the final reports of the various offices and agencies that participated in the project will apply their perspectives to the problem of evaluating history, future attempts at educational experimentation and reform can learn most from the interchange among these diverse views.

Appendices

Appendix A

NOTES ON THE HISTORIAN'S METHOD

The historian's coverage of events in the site consisted of three types of activity. First, he observed the proceedings of meetings and presentations on the voucher system. Second, he conducted follow-up interviews with participants of these events and others which he was unable to observe to ascertain participants' viewpoints on a) what had happened and b) where the project was heading. Third, he interviewed major participants periodically with regard to their longer range feelings about "the state of the project." Participants with a more immediate role in the voucher experience, such as local and state staff and CSPP staff, were covered more frequently in this third fashion than were other personnel, such as the Commissioner, Chairman, and NIE staff.

The historian kept copious notes recording two types of information: a) the substance of project events (e.g., the details of a proposed strategy to include parochial schools); and b) the political analysis and ideological rationales participants gave for taking the actions they did. Following the final events of the New Hampshire voucher project, the historian assembled these notes into this report. The history focuses on representing these two types of information for the reader, providing both a detailed account of "what happened" and of "how participants understood what was happening."

Staff in NIE's Voucher Office, the chief participants in New Hampshire, and the historian for the East Hartford voucher demonstration have read drafts of this history. This historian has incorporated remarks from these sources into the final draft where they clarified and corrected his recounting of an event or a point of view.*

MAJOR FIELD CONTACTS

The following is a list of the historian's visits to the site with notes on the settings observed and the participants interviewed. The list does not include most phone contacts, made for purposes of updating, of following up events the historian was unable to observe, and of arranging visits.

May 28 1975 Introduction to State, Local, NIE, and CSPP personnel

* Historical interpretations of events and actions, however, are those of the author. NIE's patronage of this work should not be understood as an endorsement of the historian's views.

June	4	Local Office
	10	State Office
	26	Superintendent of Archdiocesan Schools, Manchester
July	1	Local Office
	3	CSPP Site Representatives
	7	New Hampshire Education Association
	16	Tour of voucher districts and schools with Local Director
	18	State Office
	23	Hollis Schools; Professor
	25	Local Office; State Office; Chairman
August	7	Meeting: Local Director, NIE Staff, Professor, Local Project consultants
	8	Meeting: Site Historians and NIE Staff
	14	Hooksett Schools, Superintendent, S.U. 15; Deerfield Board Member; Candia School
	18	State Office; Commissioner, Superintendent, S.U. 53
	20	Superintendent, S.U. 41; Hollis Schools
September		
	11	Hollis Schools; Executive Board Meeting; Local Office
	12	CSPP Site Representatives
	23	Superintendent, S.U. 53; Allenstown Schools; Hooksett Schools; Executive Board Meeting
October	1	NIE Staff and Site Historians
	2	State Office; Deputy Commissioner of SDE; Allenstown and Deerfield and Hooksett Schools
	8	Assistant Superintendent, Archdiocesan Schools, Manchester, Local Office
	13	Local Office; Executive Board Meeting
	20	State Office
	21	Phone interviews: NIE, CSPP, Local Office, Professor
	23	Phone interviews: NIE, CSPP, Local Office, Professor
	24	CSPP Site Representatives
	27	Local Office; Hollis Board Member
November	3	NIE Voucher Office (visit)
	10	Hollis and Deerfield Schools; Allenstown and Hollis Board Members; Local Office
	13	State and Local Offices

November	14	CSPP Site Representatives
	24	Local Office; State Office; Superintendent, S. U. 15; Hollis Schools; Executive Board Meeting
December	1	Local Office
	3	Allenstown and Hooksett Board Members
	4	CSPP Site Representatives
	8	State Office; Superintendent, S. U. 41; Local Office
	11	Chairman; State Office; Commissioner, Deerfield and Allenstown Board Members; Local Office
	15	Professor; Local Office; Executive Board Meeting
	23	Local Office (phone)
January 1976	6	Phone interviews: State and Local Offices; CSPP; and NIE
	9	Meeting: Local and State Directors and CSPP Site Representatives
	15	Local Office
	19	Local Office; Executive Board Meeting
	20	CSPP Site Representatives
	21	NIE (phone)
	22	State and Local Office update (phone)
	30	State and Local Offices
February	4	Hollis Teacher Information Meeting
	5	Candia Teacher Information Meeting; Candia Public Information Meeting; Local Office
	10	Meeting; Salem Superintendent, NIE Staff, Local Office Staff, CSPP Site Representative
	11	Local Office; Deerfield Teacher Information Meeting; Deerfield Public Information Meeting
	12	Hooksett Public Information Meeting
	18	Local Office
	20	CSPP Site Representatives
	25	Local Office; Salem Budget Hearing on vouchers
March	1	Phone interviews: Local Office, State Office, NIE
	2	CSPP Site Representatives
	3	Phone interview: Superintendent, S. U. 41
	4	Salem Editor; Local Office Representative in Salem; Candia District Meeting; Local Office

March	6	Allenstown District Meeting
	10	CSPP Site Representatives; Local Office
	17	Phone interviews: Superintendents of S. U. 53 and 15
	18	Local Office; Salem Superintendent; Public Panel on vouchers in Salem
	19	CSPP Site Representatives
	20	Salem District Meeting
	22	NIE phone update
	25	President, Salem Teachers' Union; Local Office; State Office
	31	Chairman; Commissioner; Salem Superintendent; Salem Editor
April	9	State Office; Local Office
	27	Final Meeting; all major participants; Local Office
May	5	CSPP Site Representatives
	6	Local Office

Appendix B

CSPP'S "BLUE BOOK" STATEMENTS OF VOUCHER MODELS

TABLE 1

Seven Alternative Education Voucher Plans

1. Unregulated Market Model: The value of the voucher is the same for each child. Schools are permitted to charge whatever additional tuition the traffic will bear.

2. Unregulated Compensatory Model: The value of the voucher is higher for poor children. Schools are permitted to charge whatever additional tuition they wish.

3. Compulsory Private Scholarship Model: Schools may charge as much tuition as they like, provided they give scholarships to those children unable to pay full tuition. Eligibility and size of scholarships are determined by the EVA, which establishes a formula showing how much families with certain incomes can be charged.

4. The Effort Voucher: This model establishes several different possible levels of per pupil expenditure and allows a school to choose its own level. Parents who choose high expenditure schools are then charged more tuition (or tax) than parents who choose low-expenditure schools. Tuition (or tax) is also related to income, in theory the "effort" demanded of a low-income family attending a high-expenditure school is the same as the "effort" demanded of a high-income family in the same school.

5. "Egalitarian" Model: The value of the voucher is the same for each child. No school is permitted to charge any additional tuition.

6. Achievement Model: The value of the voucher is based on the progress made by the child during the year.

7. Regulated Compensatory Model: Schools may not charge tuition beyond the value of the voucher. They may "earn" extra funds by accepting children from poor families or educationally disadvantaged children. (A variant of this model permits privately managed voucher schools to charge affluent families according to their ability to pay.)

---

* Education Vouchers: A Report on Financing Elementary Education by Grants to Parents, Cambridge, Mass., (Dec. 1970), p. 20.

1. Unregulated Market Model

Perhaps the simplest and certainly the commonest proposal for vouchers is to provide every child with a flat grant or tax credit which his family could use to pay tuition at the school of its choice. The amount of the grant would be determined by legislators, but most advocates of the plan assume that the grant would be roughly equal to the present level of expenditure in the public schools. Most advocates also assume that public schools would continue to exist, and that they would charge tuition equal to the amount of the grant. This is the version of vouchers advocated by Milton Friedman and others.[1]

The effect of a free market on the level of taxation is unpredictable. The initial effect would be to raise the tax rate, since the taxpayers would have to pay for children now being educated at private expense. Nationally, this would increase the tax burden about ten percent, but the jump would be much sharper in some areas. This increase may, of course, take place whether or not a voucher system is established. If public money is not made available to Catholic schools, many of them are likely to close in the next few years. Their pupils will enroll in the public schools, pushing up public expenditures in precisely the same way that a voucher system would.

Since a voucher system would allow more parents to benefit from public expenditures for education, it probably would lead to broader political support for such expenditures. Under present arrangements, parents with children in private schools are seldom enthusiastic about higher taxes for support of public education. If their children were likely to benefit from such taxes, their attitude would perhaps change. This might push public expenditures up over the long run.

An unregulated voucher system would, however, set in motion other forces that might work <u>against</u> increased public expenditures. If affluent taxpayers took a consistent, long-run view of their self-interest, they would presumably try to keep the

[1] See Milton Friedman, <u>Capitalism and Freedom</u>, N.Y. 1962. Chapter 6.

level of voucher payments low and finance their children's education from private supplementation. This would spare them the necessity of subsidizing the education of poor children. If affluent taxpayers all reacted in this way, the result would probably be a powerful political bloc dedicated to holding down the value of the vouchers.

Affluent taxpayers may, however, not take a consistent, long-run view of their interests. Instead, the primary conflict of interest at any given moment may be between those people who have or expect to have children in school, and those who do not. If a family, however well-off, has several children in school, higher vouchers would almost always serve its immediate interest. Conversely, if a family has no children in school, vouchers of a high value would never serve its interest, no matter what its income.

If the primary conflict of interest turned out to be between "parents" of all incomes and "non-parents" of all incomes, there could easily be more effective pressure to increase tax subsidies for education than at present. The number and character of the families that gained or lost from raising school taxes would remain much as at present, except that families who now have their children in private schools would acquire an interest in increasing rather than limiting public subsidies. But affluent parents with school-age children would have more interest in raising the level of public subsidies than at present. Today, the parent with a child in public school usually favors "better schools," but his interest in higher expenditures is often tempered by his doubts that higher spending is really going to benefit his children as much as educators claim. But if a parent had enrolled his child in a school that charged tuition in addition to the value of the basic voucher he would view proposals for increasing the size of the voucher as a way of reducing his current out-of-pocket expenses. The reduction in his private spending would exceed the increase in his taxes so long as he had children in school. Direct help of this kind is likely to generate considerable enthusiasm.

All in all, the effect of an unregulated market on tax levels would probably depend on the relative importance to affluent parents of their long-term interest as tax-payers and their short-term interest as parents. This is hard to predict. Still, it is quite possible that the voucher would gradually lag further and further behind total expenditures per pupil.

The effect of an unregulated market on overall expenditures for education would depend mainly on its effect on tax support for education. An unregulated market would probably increase private contributions to the cost of education. While some parents who now pay the full cost of private schooling would get partial or full subsidies, many parents who now get full subsidies would probably start supplementing their vouchers with private money. The increase in private expenditures could, however, easily be offset by a relative or absolute decline in public expenditures. Whether overall expenditure levels would increase or decrease is thus unclear.

A scheme of this kind would result in a reallocation of educational resources so that a smaller percentage went to the poor and a larger percentage to the well off. Families of varying income would all receive the same subsidy. This would increase slightly the share of public expenditures on education going to the poor, since current public expenditure patterns show a moderate bias in favor of schools with middle-class pupils. But this redistribution of public funds would be more than offset by the capacity of affluent families to pay substantial additional tuition. Admittedly, many schools would make an effort to provide scholarships for poor applicants, but it would be unreasonable to expect that any significant number of poor children would attend these expensive schools on scholarships. An applicant who can pay full tuition will almost certainly have a better chance of going to most private schools than an applicant who requires a subsidy.

An unregulated market would shift the decision about how much to spend on education from local school boards to families but only to affluent families, not poor ones. If large numbers of affluent families chose to spend more, an unregulated market would lead to increasing segregation along economic lines. Indeed, this is one reason many middle-class families favor voucher plans. They want to send their children to school with other middle-or upper-middle-class children, and they see vouchers as an easy and apparently legitimate way to do this.

Some have argued that resource reallocation is of limited importance so long as the basic voucher is high enough to provide an adequate educational program for everyone. This is a naive view of the educational process. First, as we have seen, an unregulated market offers no assurance that the basic voucher could be kept high; it might well tend to decline relative to the overall price of education. Second, even if the basic voucher remained high, the absolute level of expenditure in a school does not determine the resources it can command. Rather the practical question is often how the school's resources compare with its competitors' resources. Suppose, for example, that schools attended by poor children were to double their teachers' salaries over the next five years. Suppose that schools attended by middle-class children tripled their salaries over the same period. The quality of the teachers in schools attended by poor children would probably decline under these circumstances. It follows that the quality of education provided by a school does not depend simply on its per pupil expenditure, but also on how this expenditure compares with that in competing schools. In addition, if segregation increases, the relative cost of providing a given service to disadvantaged schools will increase, while in an advantaged school its relative cost will decline. We conclude, then, that no politically practical level of basic payments will assure quality education for the disadvantaged so long as other schools can spend more and can exclude the disadvantaged.

Within this context, an unregulated market could give upper-income families an almost unlimited range of potential program options. Low-income families would have a more restricted range of choices, since (a) they could not afford any program that cost more to operate than the value of their voucher, and (b) they could not generally hope to find a school where the majority of their child's classmates were from other than low-income families.

An unregulated market is likely to commend itself to middle-and upper-income families and to existing independent and parochial schools. It may also commend itself to certain low-income black groups who are interested in starting their own schools and cannot seriously believe that anything could be worse for their children than the existing public schools. The plan would be opposed by the public schools. Elimination of middle-class children from the public schools would make the lives of public school men even more difficult than at present. It might lead to a reduction in the public schools' financial resources and it could certainly lead to a reduction in the quality of teachers available in the public schools.

Our overall judgement is that an unregulated market would redistribute resources away from the poor and toward the rich, would increase economic segregation in the schools, and would exacerbate the problems of existing public schools without offering them any offsetting advantages. For these reasons we think it would be worse than the present system of public schools.

A Model Voucher System

In order to understand the proposals made in this report, the reader must begin by reconsidering traditional definitions of the terms "public" and "private" in education. Since the nineteenth century we have classified schools as "public" if they were owned and operated by a governmental body. We go right on calling colleges "public" even when they charge tuition that many people cannot afford. We also call academically exclusive high schools "public" when they have admissions requirements that only a handful of students can meet. And we call whole school systems "public" even though they refuse to give anyone information about what they are doing, how well they are doing it, and whether children are getting what their parents want. Conversely, we have always called schools "private" if they were owned and operated by private organizations. We have gone on calling these schools "private" even when, as sometimes happens, they are open to every applicant on a non-discriminatory basis, charge no tuition, and make whatever information they have about themselves available to anyone who asks.

Definitions of this kind conceal as much as they reveal, for they classify schools entirely in terms of <u>who</u> runs them, not <u>how</u> they are run. If we want to understand what is really going on in education, we might well reverse this emphasis. We would then call a school "public" if it were open to everyone on a non-discriminatory basis, if it charged no tuition, and if it provided full information about itself to anyone interested. Conversely, we would call any school "private" if it excluded applicants in a discriminatory way, charged tuition, or witheld information about itself. Admittedly, the question of who governs a school cannot be ignored entirely when categorizing the school, but it seems considerably less important than the question of how the school is governed.

Adopting this revised vocabulary, we propose a regulatory system with two underlying principles:

-- No public money should be used to support "private" schools.

-- Any group that starts a "public" school should be eligible for public subsidies.

Specifically, we propose an education voucher system which would work in the following manner:

1. An Educational Voucher Agency (EVA) would be established to administer the vouchers. Its governing board might be elected or appointed, but in either case it should be structured so as to represent minority as well as majority interests. The EVA might be an existing local board of education, or it might be a new agency with a larger or smaller geographic jurisdiction. The EVA would receive all federal, state, and local education funds for which children in the area were eligible. It would pay this money to schools only in return for vouchers. (In addition, it would pay parents for children's transportation costs to the school of their choice.)

2. The EVA would issue a voucher to every family in its district with school-age children. The value of the basic voucher would initially equal the per pupil expenditure of the public schools in the area. Schools which took children from families with below-average incomes would receive additional payments, on a scale that might, for example, make the maximum payment for the poorest child double the basic voucher.

3. In order to become an "approved voucher school," eligible to cash vouchers, a school would have to:

a. accept a voucher as full payment of tuition;

b. accept any applicant so long as it had vacant places;

c. if it had more applicants than places, fill at least half these places by picking applicants randomly and fill the other half in such a way as not to discriminate against ethnic minorities;

d. accept uniform standards established by the EVA regarding suspension and expulsion of students;

e. agree to make a wide variety of information about its facilities, teachers, program, and students available to the EVA and to the public;

f. maintain accounts of money received and disbursed in a form that would allow both parents and the EVA to determine whether a school operated by a board of education was getting the resources to which it was entitled on the basis of its vouchers, whether a school operated by a church was being used to subsidize other church activities, and whether a school operated by a profit-making corporation was siphoning off excessive amounts to the parent corporation;

g. meet existing state requirements for private schools regarding curriculum, staffing, and the like.

Control over policy in an approved voucher school might be vested in an existing local school board, a PTA, or any private group. No governmental restrictions would be placed on curriculum, staffing, and the like except those established for all private schools in a state.

4. Just as at present, the local board of education (which might or might not be the EVA) would be responsible for ensuring that there were enough places in publicly managed schools to accommodate every school-age child who did not want to attend a privately managed school. If a shortage of places developed for some reason, the board of education would have to open new schools or create more places in existing schools. (Alternatively, it might find ways to encourage privately managed schools to expand, presumably by getting the EVA to raise the value of the voucher.)

5. Every spring, each family would submit to the EVA the the name of the school to which it wanted to send each of its school-age children next fall. Any child already enrolled in a voucher school would be guaranteed a place, as would any sibling of a child enrolled in a voucher school. So long as it had room, a voucher school would be required to admit all students who listed it as a first choice. If it did not have room for all applicants, a school could fill half its places in whatever way it wanted, choosing among those who listed it as a first choice. It could

not, however, select these applicants in such a way as to discriminate against racial minorities. It would then have to fill remaining places by a lottery among the remaining applicants. All schools with unfilled places would report these to the EVA. All families whose children had not been admitted to their first choice school would then choose an alternative school which still had vacancies. Vacancies would then be filled in the same manner as in the first round. This procedure would continue until every child had been admitted to a school.

6. Having enrolled their children in a school, parents would give their vouchers to the school. The school would send the vouchers to the EVA and would receive a check in return.

We believe that a system of the kind just described would avoid the dangers usually ascribed to a tuition voucher scheme.

-- It should increase the share of the nation's educational resources available to disadvantaged children.
-- It should produce at least as much mixing of blacks and whites, rich and poor, clever and dull, as the present system of public education.
-- It should ensure advantaged and disadvantaged parents the same chance of getting their children into the school of their choice.
-- It should provide parents (and the organizations which are likely to affect their decisions) whatever information they think they need to make intelligent choices among schools.
-- It should avoid conflict with both the Fourteenth Amendmend prohibition against racial discrimination and with First Amendment provisions regarding church and state.

The voucher system outlined above is quite different from other systems now being advocated. It regulates the educational

marketplace more than most conservatives would like, and contains far more safeguards for the interests of disadvantaged children. We recognize that such restrictions will be considered undesirable by some people. But we believe that a voucher system which does not include these or equally effective safeguards would be worse than no voucher system at all. Indeed, an unregulated voucher system could be the most serious setback for the education of disadvantaged children in the history of the United States. A properly regulated system, on the other hand, could inaugurate a new era of innovation and reform in American schools.

Appendix C

DESCRIPTIONS OF VOUCHER DISTRICTS

Allenstown

Located on the Merrimack River, Allenstown encompasses two distinct areas. The old, brick-construction mill center (known as Suncook, New Hampshire) is located at the river's edge and serves as the commercial, governmental, and educational center of the town. Both elementary schools are located there, as was a parochial school that closed in 1974 (the only one within the northern four voucher districts). The largest portion of Allenstown, to the east of the river and Suncook, is open land; some housing developments, a few industries, several trailer courts, farms, and a state park cover this "non-urban" portion of the town.

Allenstown has grown more slowly over the past thirty-five years than most of the voucher districts. Its population of 2,732 in 1970 consisted of 77.3% native New Hampshirites, highest among the voucher districts. The town possesses a substantial Roman Catholic population. The median income and educational attainment of its residents are below those of all other voucher towns.

In 1975-6, Allenstown had 830 publicly financed school children.* Of these, 617 attended public elementary school within the town, a number which had increased markedly in 1974-5 when the local parochial school closed (this school educated 172 Allenstown children in 1973-4). An additional 213 youths attended the high school in the town to the north under an AREA agreement which commits all eligible secondary students from the town to that school's rolls. A small private school specializing in young children with learning and behavior difficulties is also located in the town. A very few Allenstown families send their children (16) out-of-town to parochial and other private schools at their own expense. Administratively, one principal oversees the two elementary schools. In 1975-6, these schools were age-graded, the first through fifth grades housed in one, the sixth through eighth in the other.

Deerfield

Deerfield has the largest land area and the smallest population of the six districts. Located in the hills to the east of the Merrimack valley, it is a town of white frame houses, farms, and considerable rural charm. Unlike any of the other five towns, no direct route to carry fast-moving

* All attendance figures are drawn from districts' Fall '75 enrollment reports.

traffic to a nearby city passes through Deerfield. Thus, it is both more remote and a quieter place to live than any of the other voucher districts. Its population is less inclined toward an urban center as well; Deerfield residents appear to consider towns to the north, east and south their significant neighbors rather than viewing the town as a satellite of Concord or Manchester.

Deerfield's population growth, unlike that of the other voucher towns, did not come until the 1960s. During that decade, however, it grew by 65% to a count of 1,178 in 1970 (and an estimated 1,497 in 1974). This sudden boom has accounted for relatively little building compared to the other towns, since some of the new population moved into reconditioned old housing. Thus, the physical appearance of the town has not changed so much as it has in other districts over recent decades. While 97% of the town's population lived on working farms in 1940, substantially fewer do so now (no figures were available in 1970).

The median family income, unlike Allenstown's, lies above the state median and compares favorably with that of the suburban towns of Hollis and Hooksett. Significantly, no Deerfield family accepted state aid in 1973. Most residents, it appears, work in Deerfield or the surrounding towns; a number are self-employed in farming or lumber operations and some are retired out-of-staters. Deerfield has no significant industry of its own. It possesses, however, one of the largest fairgrounds in the state and sponsors an annual series of county competitions there (at a profit to the town).

Historically, Deerfield's dispersed population was served by several small district schoolhouses. Now a central elementary school serves all the town's children in grades 1-8. In 1975-6, 271 children attended this school. An open-construction addition was completed in 1975, giving the program considerable flexibility (and stirring considerable debate among townspeople over the quality of education offered there).

Deerfield's high school students have a choice of six high schools to attend (an arrangement which has prompted more than one voucher advocate to remark that "Deerfield already uses a voucher system for its high school students"). The District offers this range of choices and pays the student's way to whichever public school he chooses, despite the fact that the receiving schools charge different tuitions. Most Deerfield secondary students (69) attend school in the town of Northwood, bordering Deerfield to the northeast; 34 commute to Manchester; 24

go south to Raymond and 6 go elsewhere. In 1975-6, the town had no parochial students, 12 private school students, and several students who attended special education centers at public expense.

Candia

Candia is a rapidly changing community. Located on the eastern edge of Manchester's suburbs, Candia is split by the major east-west highway connecting Manchester to the coast. The town has obviously felt the influx of new people in recent decades as farms have become overgrown and have given way to new housing. Candia possesses several "centers," each a small collection of homes which once surrounded a post office and perhaps a school. Today, the community has a K-8 elementary building near the old town green. Housing in the community is spread out along the heavily forested lowlands which make up most of the town's territory.

In 1974, the population of Candia was an estimated 2,289, marking a substantial 15% increase since 1970. Most of the longer lived residents of the town appeared, in 1970, to hold blue collar jobs; the median income in that year was the lowest of the six districts. By contrast, the newer population appears to be more educated, more affluent, and more prone to take an active part in town affairs.* Roughly 10% of the town's housing contained substandard heat and plumbing in 1970. The community's population, while 65% native New Hampshirites, exhibited little stability of residence in Candia (only 7.4% of the population had been living there in 1949). In short, the town seems to have functioned as a refuge for lower income people forced out of communities both to the west and east by rising tax rates and costs. In recent years, the town appears itself to have finally become a target of suburbanization, setting the scene for considerable conflict within the population.

Candia children in the elementary grades attend the George B. Morse school, a two building complex of pre-50's vintage which also houses the town offices. In 1975-6, 412 children were housed in these buildings under crowded conditions. In the 1976 District Meeting, a proposed addition to the elementary building was hotly debated and finally turned down by an overwhelming vote despite these conditions. Candia high school students attend either Manchester (140) or Raymond (34) high schools (the latter being a community bordering Candia to the south). Nine Candia children attend parochial schools. Nine children attend private schools.

* See discussion of Candia District Meeting, Chapter VI.

Hooksett

Hooksett is a largely suburban town located between Candia and Manchester. The second largest town of the six, the town prides itself in being a business-oriented community. The edges of U.S. Route 3, the major artery through Hooksett, are lined with stores, auto dealers, restaurants, small shopping districts, and small industrial plants. Most of the housing is stretched in a belt along this road and the Merrimack River which parallels U.S. 3 to the west. A large eastern portion of Hooksett, by contrast to this heavily settled area, still remains relatively untouched.

In 1974, Hooksett's population was estimated at 6,576 and the town was the second most densely settled of the six voucher districts (it is considered a part of the Manchester SMSA). During the sixties (and continuing into the seventies), both population and housing increased at a rate of roughly 50% per decade. With the 1970 median family income mark at $10,456, Hooksett is the second most affluent community among the six (by contrast, the state median in 1970 was $9,648).

The educational needs of the community are served by three local schools and by an AREA agreement with the City of Manchester for secondary students. The 753 K-6 children in 1975-6 attended either the Hooksett Village School located in the old village or the new Underhill School, located at the opposite end of the town. These schools have comparable programs and serve the children of their respective halves of the district. The Hooksett Memorial School (254 students) is the town's junior high, located off Route 3 roughly halfway between the two elementary schools. By an AREA agreement, Hooksett is committed to sending at least half of its 388 high school students to Manchester; most such students (335) attend Manchester Central, 40 attend Manchester West, and 13 go to a small high school north of Hooksett. In general, Hooksett parents appear confident about the quality of education in the local schools but are openly dissatisfied with the high school arrangement. A comparatively large portion of Hooksett children (6%) attend parochial schools and roughly 5% attend other private schools. The superintendent's office for the Union to which Hooksett belongs is located in this town.

Salem

Salem is one of the two unattached southern districts located on the Massachusetts border. The largest of the six districts by far, Salem experienced a phenomenal growth rate of over 90% per decade since 1950.

Since that time, it has become a small city by New Hampshire standards, boasting a typically sprawled suburban commercial district, a large, well-known horseracing complex, its own weekly paper, massive apartment complexes, housing developments, six elementary schools, a large junior high, and a fully equipped senior high. Salem is a part of the Lawrence-Haverhill (Mass.) SMSA, reportedly houses many people who work in Massachusetts, and thus the town seems heavily oriented toward the south (the Lawrence paper is supposedly the most heavily read; Interstate 93 connects Salem to Boston in roughly 50 minutes). To a passerby, Salem is the busiest, most erratically developed, and most anonymous of the six voucher districts. North Salem, the most unsettled portion of the town, still appears agricultural in some sections, however.

In 1950, Salem's population stood at 4,805; in 1975, the town's planning office estimated the count at 25,315. The changes which normally accompany such growth have occurred in Salem, housing has boomed, schools have proliferated, industry has been attracted to the town to help carry the tax burden, and the median income has steadily risen to a level (at $11,403) nearly $1,000 higher than any other voucher district and nearly $2,000 higher than the state median in 1970. Only recently have citizens even vaguely been able to curtail this development; in 1971, a moratorium was placed on apartment construction and, in 1976, a planning board was just beginning to work out a comprehensive development scheme. The suburban nature of the town, residents' reliance on a commuting lifestyle, their relatively high level of education (12.3 years of schooling was the median in 1970), and their high level of income make Salem a different kind of community compared to the other five districts.

Salem is a self-contained Supervisory Union. The school system boasts six schools built since 1960, including a lavishly equipped high school. Elementary schools are scattered around the town and enrollment (totaling 2551) is restricted to the neighborhood surrounding each school. The junior and senior high schools are centrally located and enrolled 969 and 1872 students respectively in 1975-6. In spite of the amount of school building that has occurred over the past 15 years, Salem finds itself overcrowded in 1976. In recent years, proposals for new schools have been turned down three times as tax-conscious town leaders have apparently decided to draw the line on such expansion. Unlike the above four districts, Salem educates its own secondary students and, particularly for its vocational training program, even attracts students from

smaller surrounding towns. Approximately 342 Salem children attend the parochial school in the town and another 58 travel outside the district to parochial schools there. 68 students attend private non-sectarian schools.

Hollis

Hollis is, like Salem, a lone voucher district located on the Massachusetts border and provides complete 1-12 schooling for its children within its own town limits. Bordering the city of Nashua to the east, Hollis is second only to Salem among voucher districts in rate of population growth over the past 35 years. The gently rolling hills of the town have long been prime orchard and farming country; growing suburbanization has gradually edged out such enterprises, but the obvious presence of farms still gives the town a rural flavor. In 1940, 65% of the town's population was "rural farm," the second highest proportion (to Deerfield) among voucher towns in that year (in 1970 10% of her population was employed in agriculture). Since 1940, the major change in the community has been in population, as little industry has been allowed into the territory, and Hollis has gone the direction of the bedroom suburb. This fact makes Hollis's growth and emerging character quite different from Salem's. The Hollis population appears to be more professional, conservation-minded, and liberal.

Indeed, Hollis has remained relatively small at 2,998 in 1974, yet her population had the second highest median income ($10,549) and the highest median educational attainment (12.6 years) of the six voucher districts. Nearly one quarter of Hollis's over-25 population hold college degrees and over half of her total population are not native to New Hampshire. While home building has kept pace with a 75% population increase since 1950, homes are comfortably spaced and there are few heavy concentrations of housing. The colonial center of the town is still an old "village" by most appearances.

Hollis contains four school buildings: a grades 1-5 elementary (395 children), a two-year-old middle school, a recently enlarged high school and an old frame schoolhouse used by the high school. All buildings are located around the center of the town. In 1975-6, with a school enrollment of about 1200, Hollis was finding itself pressed for classroom space even after opening the new middle school. Some public concern, as well, focused on the "open" features of middle and senior high school curricula and space utilization. Hollis High School is committed under

an AREA agreement to take the students of neighboring Brookline; altogether 250 of Hollis's students do not reside in Hollis. Some Hollis young on their own depart the town's schools for education in nearby Nashua and elsewhere.

Two Withdrawals: Brookline and Amherst

These two towns, which together with Hollis make up a Supervisory Union, originally voted to participate in the study/planning phase of the voucher project in April of 1974. In both towns, this decision was made possible by the work of a citizens' group which petitioned to bring the issue to a vote in a Special District Meeting in 1974 after the School Board had chosen not to entertain the idea of a voucher study. During 1974 and early 1975, for reasons discussed in Chapter II, the study/planning activities did not proceed as expected. In March of 1975, consequently, the issue of continued participation in the study/planning grant arose and was defeated in these two towns. By this time, the citizens' group, publicity, and state contact with Amherst and Brookline had disappeared and the project died there with little protest and discussion. The withdrawal of these two left Hollis as a lone, small district with little chance of attracting voucher students from the other participating districts.

Amherst and Brookline represent the suburban and rural extremes, respectively, of Hollis. Amherst has grown faster and, in 1974, at 6,632 was considerably larger and more developed than Hollis. With a median income in 1970 of $13,247, Amherst was the wealthiest of all voucher districts; the town also sported a 76% non-native population in 1970. Brookline, on the other hand, had a lower-middle-class population of 1,350 in 1974. The town is sparsely settled and heavily wooded. While Amherst students attend high school in the small city of Milford, Brookline's annual handful of secondary students go to Hollis High School. The Supervisory Union office for Brookline, Hollis and Amherst -- also serving as the official grantee and financial conduit for the local voucher office -- is located in Brookline.

Appendix D

ENABLING LEGISLATION: CHAPTER 182, HB 867

HB 867

STATE OF NEW HAMPSHIRE

In the year of Our Lord one thousand nine hundred and seventy- five

AN ACT

providing for the test of education voucher programs

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 New Chapter. Amend RSA by inserting after chapter 194 the following new chapter:

CHAPTER 194-A

EDUCATION VOUCHER PROGRAMS

194-A:1 Intent. The purpose of this chapter is to authorize the state board of education to conduct a test of education voucher programs in certain school districts when federal funds become available for such programs, in order to determine whether education voucher programs will improve the quality of education, will increase freedom of choice with respect to publicly financed education and will provide more equal educational opportunities. The education voucher programs authorized by this chapter are intended to aid students and not to aid any particular school or type of school.

194-A:2 Definitions. In this chapter:

I. "Education voucher" means an instrument issued by a participating district to parents or legal guardians of eligible minor pupils or to eligible

adult pupils, which may be exchanged only for the provision of educational services by an eligible provider, and which may be presented by the eligible provider to the participating district which issued it, for payment for the educational services provided by the eligible provider up to the maximum value specified therein.

II. "Education voucher program" means a program for the use of education vouchers which can be exchanged for educational services to eligible pupils in kindergarten and grades one through twelve, or any combination thereof.

III. "Eligible district" means a school district which prior to June 15, 1974 elected to request a grant for planning or study of an education voucher program or to apply as a test site for such program, and such other school districts as may thereafter so elect, subject to regulations of the state board and the availability of funds.

IV. "Eligible provider" means an educational institution providing education in kindergarten or grades one through twelve or equivalent, or any combination thereof, located within or outside the state, whether established operated or governed by public authority or supported by public funds, or otherwise established, governed or supported) so long as it may receive public funds in exchange for provision of child benefit services consistent with the constitutions of the United States and this state, which with sufficient authority, has agreed to accept an education voucher in full or partial payment for the services it provides to a pupil, has agreed to comply with applicable regulations of the state board and has been approved as an eligible provider

by the state board.

V. "Eligible pupil" means a pupil who is entitled to education at the expense of a participating district.

VI. "Participating district" means an eligible district which elects to conduct an education voucher program and which submits a proposal for such a program to the state board and receives approval thereof from the state board.

VII. "State Board" means the state board of education.

VIII. "Voucher value" means the maximum amount, in money, specified in an education voucher which the participating district is obligated to pay to an eligible provider upon presentation of the voucher for payment .

194-A:3 Authority of State Board.

I. The state board, through the commissioner of education acting as executive officer of the board, is authorized to conduct a test of education voucher programs in accordance with this chapter. The state board may apply for grants of federal and private funds to assist in the administration of this chapter and may accept such grants, subject to the approval of the governor and council. The state board shall promulgate reasonable rules and regulations consistent with the purposes and provisions of this chapter which shall include, but are not limited to, the following provisions:

(a) Standards for administrative organization of educational voucher programs in participating districts;

(b) Procedures for annual establishment of voucher value by participating districts;

(c) Required form and content of vouchers;

(d) Procedures for distribution of vouchers by participating districts;

(e) Standards and procedures for approving eligible providers;

(f) Procedures for presentation of vouchers by eligible providers for payment by participating districts, including the proration of voucher value as between eligible providers and in the event of transfer of an eligible pupil;

(g) Standards and procedures for record keeping by participating districts and eligible providers;

(h) Standards and procedures for furnishing transportation to eligible pupils by participating districts, subject to RSA 189:6-9a;

(i) Standards and procedures for evaluating educational voucher programs in participating districts;

(j) Procedures for audit of records of participating districts and eligible providers;

(k) Procedures for termination of particular voucher programs in participating districts which shall include termination for cause by the state board and voluntary withdrawal by participating districts;

(l) Standards and procedures for approval of additional eligible districts.

II. In promulgating rules and regulations, the state board shall be guided by the revised feasibility study of the New Hampshire education voucher

project approved by the state board November 14, 1973. The state board may amend the rules and regulations from time to time as necessary. If the state board determines, after public hearing, that educational voucher programs are not meeting the purposes set forth in RSA 194-A:1, it may terminate all such programs at the close of an academic year.

194-A:4 Authority of Participating Districts. Participating districts are authorized to enter agreements with the state board for conduct of educational voucher programs and to raise, accept and expend public funds for the purpose of conducting such programs, including the redemption of vouchers presented by eligible providers. Participating districts may apply for and accept grants of federal and private funds for additional support of such programs. Participating districts may contract with state or federal agencies and with private persons or organizations to provide or receive services, supplies, facilities and equipment necessary to carry out educational voucher programs. Participating districts may, for the purposes of this chapter, establish admission and tuition standards in public schools for resident and nonresident pupils subject to RSA 189:1-a. A participating district may establish different admission and tuition standards for each public school where there are two or more schools of the same grade level within the participating district.

194-A:5 Evaluation and Reports by State Board. The state board shall monitor and evaluate the conduct of educational voucher programs by participating districts and the overall effect of such programs, to determine whether such programs are improving the quality of education, increasing freedom of choice

with respect to publicly financed education and providing more equal educational opportunities. The state board shall report on the status of such programs and its evaluation thereof to the governor and council beginning December 1, 1976 and thereafter shall include such information in its biennial reports under RSA 186:11, XX, until the termination of such programs.

194-A:6 Duration of Authority. The authority granted by this chapter to the state board and to participating districts shall terminate June 30, 1983.

194-A:7 Construction of Chapter and Effect on Other Statutes. This chapter shall be construed liberally so as to effectuate the purposes thereof. The provisions of this chapter shall supersede any inconsistent statutes to the extent necessary to carry out its purposes.

194-A:8 Effect on Other Funds. Aid funds received by participating districts to assist them in conducting education voucher programs shall be deemed to be in addition to and not in substitution for any other funds to which they would otherwise be entitled.

2 Effective Date. This act shall take effect sixty days after its passage.

NOTE: This bill was amended as follows:

III. "Eligible district" means a school district which prior to June 15, 1975 elected to request a grant for planning or study of an education voucher program or to apply as a test site for such program, and such other school districts as may thereafter so elect before June 15, 1978, subject to regulations of the state board and the availability of funds.

H. B. 867, as amended, was passed by the House of Representatives on 4/30/75.

Appendix E

REVISED FEASIBILITY STUDY OVERVIEW, NOV., 1973*

Introduction

Simply stated, an educational voucher is a certificate representing a sum of money issued by a public agency to parents for the education of their children.

In a community utilizing the New Hampshire voucher system, children will be eligible to receive a voucher to attend

a. One of the public schools in their home district, if such schools are provided.

b. A public school outside of their home district subject to space limitations and the willingness of such a school to accept them. In those instances where tuition is greater than the voucher price, their parents may pay any tuition costs above the value of the voucher or may secure other additional financial support.

c. A non-sectarian private school of their choice, if they meet the admissions criteria. In those instances where tuition is greater than the voucher price, their parents may pay any tuition costs above the value of the voucher or may secure other additional financial support.

The New Hampshire voucher project attempts to maximize parental freedom of choice of educational schools. There are other voucher models, such as the one currently being tested at Alum Rock, California. This model, funded by an OEO grant and now being administered by HEW (NIE), has additional regulations not found in the proposed New Hampshire model on the use of vouchers by parents and schools. Thirteen public schools are presently participating in the California project private schools are not as yet included.

A basic assumption underlying the voucher plan is that by introducing an added element of competition into the educational system, the overall quality of education will be improved. The voucher can be thought of as the individual

* "New Hampshire Educational Voucher Project: Revised Feasibility Study," Concord, N.H. (November 1973), pp. 1-13.

parents' cash assets which they can spend to select an educational program for their children. The voucher program provides parents with a genuine choice between educational programs. This decision, exercised by parents in a participating community, may lead to more diverse and responsive educational services. The immediate relationship between the parent and student as an educational consumer and schools as educational producers will lead to a more timely response to parental and student demands.

All voucher systems assume that each family unit already has the right, but not necessarily the funds, to choose its own educational program--provided this right does not infringe on the rights of others. Our society considers racial discrimination or any other practice that is clearly unconstitutional to be such an infringement.

The real problem has been that although every family has this well defined right, only the wealthier families have been able to fully exercise it. The wealthy have been able to choose directly and immediately among the many available public and private school programs. It should be noted that most wealthy families do not choose private education. Instead they select a public school usually by moving to a 'select' community or, less frequently, but still with some frequency, by paying additional tuition to another public school outside of the school district in which they reside and pay taxes.

The families of moderate means can choose an educational program only in a very limited, slow, and indirect manner by means of various types of political activity--if indeed they can choose at all. The first alternative is open to those families able to meet the financial demands of private schooling or to those who are willing to make extensive sacrifices.

A wealthy family can change the educational options available for its children by paying cash. The family with limited financial means can attempt

to change their public schools through the political process. This process can be slow and is necessarily dependent upon the efforts of other members of the community, including the well-to-do. The proponents of the New Hampshire voucher plan argue that through open competition, the educational marketplace will be more responsive to the needs of low and moderate income families. Therefore, the key element in any family's ability to exercise an actual and immediate educational choice is the financial means to exercise that choice.

The New Hampshire voucher plan thus focuses on the financial means by which choice can be more varied, can be made more quickly and can be made by more individual families.

Finally, the voucher concept assumes that society through its government, is responsible for insuring that every family has sufficient resources to provide acceptable education for its children.

The voucher concept does not assume that one form or type of schooling is superior to another. Indeed, vouchers would probably find their widest application within the public school system. Vouchers are not a means of providing education; they are a means of paying for the education provided. In this context it can be argued that the New Hampshire Model confers a proportionately larger benefit on low income families than on high income families. It provides a means by which low income families may choose from a substantially increased number of public and private educational programs.

Assumptions To Be Tested

When there are changes in the means by which the family unit in our society makes its choice of educational options, the expectation is that the result will

be certain definable improvements in the educational system. At the same time, the ultimate effects of any change are not completely predictable, and both positive and negative effects will occur. This is the principal reason for testing the New Hampshire Voucher Model--to see whether the claims of its proponents or opponents are supported and whether the change has a positive or negative effect on the educational goals/objectives of our society. Some of the more important claims to be tested by this project are:

1. Increased Freedom of Choice: Parents will have increased freedom in choosing their child's education, there will be a wider variety of educational programs available after the introduction of vouchers.

2. Direct Parental Participation: Parents will participate more directly in school affairs. Therefore, parents will exercise vouchers to transfer students between schools and will be more active in parent groups in all schools.

3. Improved Accountability: Schools will provide more factual information to parents concerning the effectiveness of their educational programs. Parents will then use this information in the selection of their child's program.

4. Increased Educational Responsiveness and Diversity: Increased educational diversity will result. The number of new schools and the number of times that programs change will increase in response to the consumers' stated needs.

5. Improved Educational Achievement: The level of achievement will improve or remain stable under a voucher plan. Standardized and comprehensive testing programs will indicate increased or stable results in students' conventional academic achievements.

6. More Equal Opportunities. Low and moderate income parents will have more educational opportunities for their children. This increase will be indicated by a substantially greater number of low and moderate income parents selecting other than their previous single option. Also, the percentage of

families selecting other than the previous educational option will not be related to family income.

IT IS ARGUED THAT FROM A COMMUNITY POINT OF VIEW:

7. Cost Effectiveness: The cost per unit of education of a comparable quality will fall. The cost per student will be less under a voucher plan than under the present system, with no decrease in educational effectiveness.

8. Refocusing of Political Activities: There will be reduced political emphasis on the educational process. The political system will be more concerned with how to fund education and will tend to leave the process of providing education to those with educational expertise.

FURTHER, THE NEGATIVE ARGUMENTS AGAINST VOUCHERS ARE:

9. Decline of Public Schools: The public schools will not be able to compete effectively with private schools. There will be a noticeable decline in public school enrollments.

10. Educational and Social Stratification: Public schools will be left with only the difficult-to-educate students. The public schools will become a dumping ground for students with low achievement social adjustment problems or behavior problems. Moreover, the possibility of racial, ethnic, or socioeconomic segregation is increased.

11. Transitional Problems: The consequences of success or failure of the project cannot be anticipated. Non-acceptance of the voucher concept following federal withdrawal from the project could present major adjustment problems in returning to traditional educational financing. Acceptance may lead to an increase in local property tax burdens.

12. Requirements for Non-Public Schools: That New Hampshire's non-public schools will not accept the evaluation-auditing requirements and hence will not

participate. It should be noted that the SBE is sensitive to the above concerns and will closely monitor any such test.

State Board of Education

The State Board of Education shall have the authority and the right to alter or make changes or terminate the Voucher System test at any time along the program if the State Board of Education finds it is not to be within the educational interest of the children in New Hampshire.

1.0 Model Design

1.1 A Free-Choice Demand and Supply Model.

The New Hampshire Voucher Model is a free-choice demand and supply model of the educational market place. It assumes that the demand for education may have been neglected or given relatively less weight in developing educational alternatives than have educational supply considerations. The New Hampshire Model attempts to redress this imbalance.

The Model does not slight supply as a consequence. It attempts to give equal emphasis to both supply and demand considerations in determining what educational programs or output there should be.

The demand side of the market consists of the parents and their children who are purchasing (demanding) educational services. The New Hampshire Model assumes that all parents should have an opportunity to participate directly in the educational marketplace by being able to choose educational programs for their children. Society (federal, state and local governments) also participates in demanding education by setting minimum standards which all educational programs offered to parents have to meet, e.g., health requirements. A parent can demand only "approved" educational options.

The supply side of the market consists of 1) educational programs designed, staffed and supervised by public officials, i.e., public schools; 2) educational programs designed, staffed and supervised by private citizens, i.e., private schools; and 3) educational programs designed, staffed and supervised by religious affiliations, i.e., parochial schools. The Model assumes that all of the educational outputs of these schools must meet society's minimal educational standards as noted above. It does not assume that there is any a priori reason to believe that one of these three groups will supply a better educational product than the other -- that is for the market (the parents and students) to determine in each individual instance.

It does assume that the supply side of the market may initially be sluggish in its response to demand and may require certain incentives to help it initially to adjust adequately to changes in demand.

1.2 Demand and Supply Operations of the Local School District.

The local school district, traditionally has performed two distinct -- and separable -- operations.

a) making it financially possible for all students resident in the district to obtain an education and;

b) creating and providing educational services, by means of a public school, for whatever students may enroll.

The first operation, listed under a), of making it financially possible to obtain an education, is a task which every school district is legally and constitutionally obligated to perform. This is the local districts' demand responsibility. Every child is guaranteed that he or she will be able to demand -- and obtain -- an education. The local school district must make funds available so that the child can receive this education somewhere -- either at a local public school, at a non-local public school or at a private school.

The local district has no choice but to meet this demand responsibility.

The second operation, that of creating and providing educational services by means of a public school is not required -- by law or by state constitution in New Hampshire -- of the local districts. School districts may or may not choose to operate their own schools. Traditionally, most districts have operated schools; but a large number have not. School districts may decide to supply educational services themselves or they may decide to let some other public school district or private group supply these services.

Because many districts have historically chosen to supply educational services to the students in their district and have used the resident pupil's educational funds to accomplish this purpose, most of the children in these districts have had no choice but to go to the local schools. The local district has spent the funds (which otherwise could have been used by the parents and children to demand education) for the operation of a school. Since the child's educational funds have been spent for him (by the district) -- and since he is given no additional funding -- he must, therefore, attend the locally supplied educational program; unless his or her parents are wealthy enough (or committed enough) to be able to afford a different educational option entirely at their own expense.

The end result of this historical process has been to confuse and to obscure the relationship of supply and demand by allowing supply not only to determine demand, but even worse, almost completely to eliminate demand as a market factor. Whatever educational program the district provided was demanded because the community's resources, as previously noted, were already spent on the local educational program and no further resources were available to the parents so that they could demand anything else.

1.3 Strengthening Demand

The New Hampshire Voucher Model attempts to strengthen the demand side of the market equation by keeping demand as separate as possible

from the problem of supply. This is accomplished by giving the parents a voucher for each child, which can be used only by the parent or legal guardian at a school approved by the State Board of Education. The funds that the community raises "to educate its resident children" flow through the parents, in the form of a voucher. The local district cannot divert such funds into educational programs, leaving the parent with fewer or no financial resources. The parents use their vouchers to demand the educational program of their choice.

The community (i.e., the local school district) determines the level of funds that has to be raised to educate its resident pupils, by assessing annually the prices (the tuition rates) which the educational alternatives (the various public and private schools) are charging for education. It decides each year how high a voucher price it must pay to give its resident children a choice between two "approved" schools recognizing that, in the case of special education students, the price is subject to available community resources. It also can decide, of course, whether it wants to pay an even higher voucher price if such higher price will give its children the possibility of choosing educational programs which exceed the basic approved programs. The community (the district) can pay as high a price as it chooses, in the form of vouchers, for educational programs for its children. It cannot, however, pay a lower voucher price than that which guarantees every child a choice between two approved schools.

The voucher, so determined, is credited directly to the parents, the parents then spend it at the school or schools of their choice. No vouchers can be used to "supply" educational services unless those educational services are first demanded by the parents. Demand autonomy is thus effectively maintained.

1.4 Strengthening Supply

It must be recognized that although the supply side of the educational market has traditionally been emphaaized at the expense of demand, such "favoritism" has not necessarily resulted in a strong supply function. Supply has grown, but there is no assurance that it has grown strong.

The New Hampshire Model consequently attempts to strengthen the ability of supply to change and to adapt to new and different and often rapidly changing forces of demand. It does this by once again, distinguishing carefully between demand and supply. Although in the past supply tended to determine demand, a danger of an unsophisticated voucher model could be that demand could be used to determine supply, i.e., a school, particularly a public school, might, if due care were not exercised, be restricted to using, for the creation and provision of educational services, only those funds given to it by parents exercising their demand for education with educational vouchers. This would be a monumental mistake since an educational program "designed, staffed and administered by public officials" may well have to be provided at a cost which exceeds the voucher price for which it can be sold in the educational marketplace.

All suppliers of education, public as well as private, must be allowed to compete for the educational consumers' dollar by developing and innovating new anddifferent programs. Such educational research, development and innovation often requires initially heavy expenditures which pay off, if at all, only in the long run -- over many years. No supplier of education (no school) should be restrained from such innovational activity by being required to limit its supply resources each year to the amount that it collects

annually from the consumer.

The New Hampshire Model recognizes this need to encourage more innovation and development on the supply side. It also recognized the need to encourage more rapid response of supply to demand than is at present possible. To this end it encourages public and private school officials to spend whatever funds are necessary to achieve such supply response, even where receipts from vouchers do not initially completely cover such costs. The Model also recognizes a further obligation to the public school officials to assist them in their efforts to react to changes in educational demand. The private schools have always competed in the open or free educational market for students. Thus, they have developed over time successful patterns of responding to demand conditions. Public schools have not been able to develop such supply responses for reasons already discussed. Consequently, in addition to encouraging the local district innovational action already mentioned, the New Hampshire Model also includes initial incentive grants to the public school districts. These incentive grants may be used by the districts to purchase additional education for their children by enhancing the voucher value. They could also be used to cover the costs of making the public school education package more attractive to the consumer -- through development of new programs, changes in administrative techniques, or changes in training procedures. The district is also free to use these grants in whatever manner it believes will result in a more marketable package of educational services, providing that the Federal grant agency is so notified.

All such efforts to improve the supply side of the market equation must not be confused with demand considerations. The use of funds to improve supply does not, in the New Hampshire Model, necessarily change the voucher price. One school's increased supply cost does not automatically change the price that another -- and different -- school may charge for education.

Appendix F

PHASE I REPORT STATEMENTS ON "ALTERNATIVE" AND "CHOICE"*

The voucher value should cover the total educational expense of the student at two or more approved schools within the geographical area for which free transportation is already publicly provided. The alternative approved schools in such event, however, must actually be schools as elsewhere previously defined, i.e., they must be so recognized or accepted by the State Board of Education. A school district will give parents sufficient voucher dollars so that they can effectively choose an approved school other than the neighborhood school, regardless of whether the local school is organized into special programs, exotic groupings, or what have you.

On the other hand, a community may meet the "alternative school" requirement by creating, or by continuing to maintain, at least two State Board recognized public schools of the same grade level in the local community. These schools need not be geographically separated, although they may and probably will be. Two duly constituted approved schools might possibly share some joint physical facilities and some staff. The important criterion whereby to judge the existence of two alternative schools is "is each as capable as the other in every aspect of reacting independently to parental demand in terms of personnel, curriculum, staff, and facilities?"

No district is required to operate two such independent schools--or even one. All that is required is that the district's voucher plus the provision for free transportation be sufficient to allow the parent to choose between at least two recognized schools somewhere within the U.S., either locally or distantly. Where alternatives are provided outside the district, the question of independence is moot.

* "Education Vouchers Study and Planning Project: Phase I Interim Report," Manchester, N.H. (August, 1975) pp. 74-5.

EDUCATIONAL ALTERNATIVES

The necessity to define alternative follows from the concept of "choice" as defined elsewhere. In the N.H. Voucher Model each parent must be able to choose education for his child. In order to choose, there must be more than one school; consequently, there must be an alternative school, or better yet, many school options. The question is what constitutes this "alternative" or, more precisely, this "alternative school."[1]

All parents must be able to send their children to an approved public or private non-sectarian school other than the local neighborhood school to which the children are presently assigned or assignable. This means that the voucher value must be sufficiently high so that the voucher will cover the total cost (tuition and transportation) of attending at least two such approved schools. It does not mean nor imply that the voucher has to cover the cost of attendance at more than two alternative schools although it may.

---

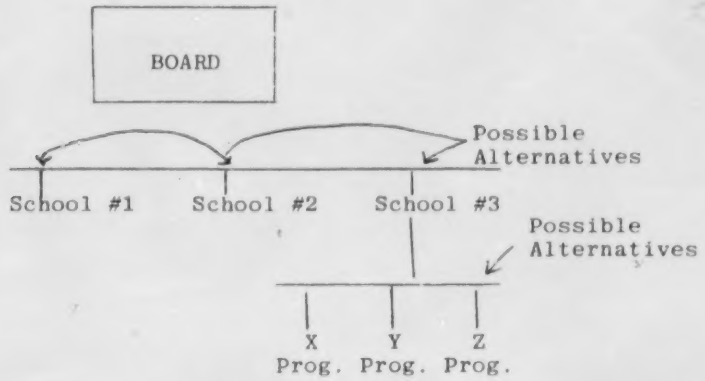
[1]Alternative as used in these position papers when referring to a school (or as otherwise used) applies specifically to suppliers or sellers of educational services. To use the language of RSA-194, the parent must be able to choose between, at least, two "eligible providers." An alternative exists if the voucher provides the parent with the option of sending his child to more than one "eligible provider." No further reference or elaboration need be made to staff, program, or facilities. It is assumed that at least two such autonomous eligible providers is sufficient to generate a supply response in terms of such variables as staff, curriculum, and facilities--if the strength of demand should so warrant.

Alternative is not used, when applied to schools, to refer to "alternative schools" in the restricted technical sense of a school which offers an educational program opposed to the usual conventional curricula which are not customarily available in most public and private schools.

LOCAL PROJECT DRAFTS OF DEFINITIONS AND POLICY STATEMENTS EXECUTIVE BOARD MEETING, OCT. 15, 1975

ALTERNATIVE SCHOOL MUST BE DULY RECOGNIZED AS AN ELIGIBLE PROVIDER BY THE STATE BOARD OF EDUCATION

Alternative



Each alternative in the set(s) must be individually capable of autonomy with relation to budget, staff, and administrative decision-making relative to programmatic/operational policy.

Each governing board must guarantee the autonomy of an individual alternative within a given set or sub-set of alternatives. Board policy may not categorically interfere with programmatic or operational procedures of a given set of alternatives.

Choice

A parent must be guaranteed a choice between at least (2) two ~~autonomous~~ alternatives, either of which must be capable of responding independently to parental demand in terms of staff, facility, and program.

Impilcations of this model:

1) must clarify/define the terms "guarantee" and "autonomy";
2) must clarify/define program differences and define the program;
3) must be able to defend definition (local boards); and
4) must be able to measure program in terms of its definition (evaluation outcomes).
5) Decentralization of decision making, program control, and financing.
   A) Transfer substantial power from school administrators to teachers and parents.
   B) Cause re-definition of school administrators role, i.e., pure administration (coordination function).

VOUCHER VALUE DETERMINATION

Excludes: Capital Outlay and Debt Service - Transportation
Includes: 2% Rental Charge on Replacement Cost (Building)

	TOTAL (From F-1)	ELEM.	MIDDLE/ JR. HIGH (From Worksheets)	HIGH
ALLENSTOWN				
Net Appropriation	$ 794,332	$476,414		$244,414
Fall Enrollment 75-76		612		213
Incentive Grant (30%)	$ 238,300	$142,924		$ 73,324
Est. Cost/Pupil 75-76		$ 778		$ 1,147
CANDIA				
Net Appropriation	$ 608,000	$335,418		$242,331
Est. No. of Pupils 75-76				172
Fall Enrollment 75-76		412		
Incentive Grant (30%)	$ 182,400	$100,625		$ 72,699
Est. Cost/Pupil 75-76				$ 1,409
Est. Cost/Pupil 75-76		$ 814		
DEERFIELD				
Net Appropriation	$ 412,731	$248,392		$146,334
Est. No. of Pupils 75-76				132
Fall Enrollment 75-76		265		
Incentive Grant (30%)	$ 123,820	$ 74,518		$ 43,900
Est. Cost/Pupil 75-76				$ 1,109
Est. Cost/Pupil 75-76		$ 937		
HOLLIS				
Net Appropriation	$1,521,459	$409,756	$392,838	$571,810
Fall Enrollment 75-76		395	318	457
Incentive Grant (30%)	$ 456,440	$122,927	$117,851	$171,543
Est. Cost/Pupil 75-76		$ 1,037	$ 1,235	$ 1,251
HOOKSETT				
Net Appropriation	$1,740,921	$782,034	$259,508	$573,116
Est. No. of Pupils 75-76				460
Fall Enrollment 75-76		753	254	
Incentive Grant (30%)	$ 522,275	$234,610	$ 77,852	$171,935
Est. Cost/Pupil 75-76				$ 1,246
Est. Cost/Pupil 75-76		$ 1,039	$ 1,022	

GLOSSARY OF DEFINITIONS AS OF OCTOBER 15, 1975

VOUCHER VALUE - The voucher value in a district where no schools are operational must be at least equal to the State average tuition liability plus a sufficient amount of money to provide an alternative choice.

TUITION - State average tuition liability or the receiving school's operational cost per pupil as determined by the State Board of Education, whichever is less.

COST PER PUPIL - Allowable operational expenditures divided by the Average daily membership in attendance.

ESTIMATED COST PER PUPIL - The total school appropriation divided by the fall enrollment at that school.

LOCAL PROJECT MEMORANDUM TO EXECUTIVE BOARD CONCERNING THE LOCAL MODEL AND UNCERTAINTY OF FEDERAL FUNDING

Education Vouchers
Study & Planning Project Office
17 North Street
Manchester, New Hampshire 03104
Telephone - Area 603-669-6800

M E M O R A N D U M

TO:

FROM:

DATE: November 5, 1975

SUBJECT: Executive Committee Meetings Summary of Input

I have summarized the input provided by the local boards and superintendents at Executive Committee meetings. Please review these notes and call me if they are not accurate.

It is my understanding that many of the members would like to meet with the NIE and the State Board to answer questions and react to the local concerns. I am arranging a schedule to meet with all interested individuals.

As an added note I have received information that funds will be made available to either East Hartford or New Hampshire. Competition for the money will be active.

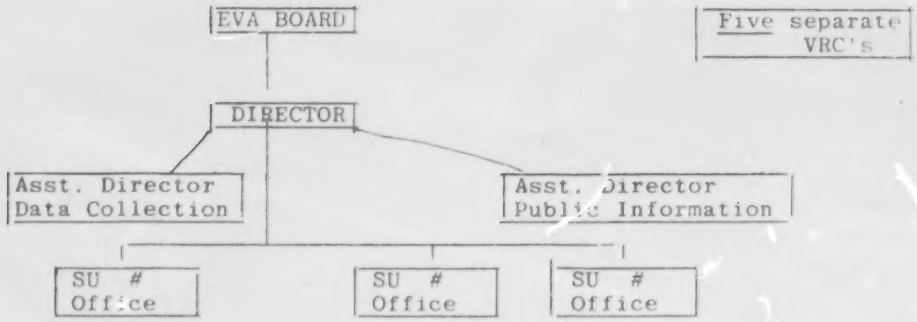
scs

CHARACTERISTICS OF THE LOCAL MODEL

VRC - would be made up of the local school board members. They would survey educational costs in the region and recommend the value of the voucher.

EVA - would have the same structure that we are now operating under.

1) EVA board would be made up of one board member from each participating district, that member would be selected by local board members
2) Superintendents would be ex-offico members
3) Dollars from local appropriations would not flow to the EVA
4) EVA would have a Director, two Assistant Directors with three field staff to work at the local level.
5) EVA functions would be accounting, evaluation, public information



* Staff would be allocated to the local districts to perform bookkeeping functions as well as act as contact people in the districts. These contact people may be housed at a school within the district. They would be working for the EVA and the local school board.

SCHOOL APPROVAL - all schools receiving voucher students must meet at least the standards required of public schools

VOUCHER DISTRIBUTION - only students leaving the district would receive vouchers

- crshing the voucher outside the district would require local boards approval of the receiving schools eligibility to receive public monies

TRANSPORTATION - would be provided free within the district and to the nearest determined alternative program with MIE paying all added costs both in and outside the district.

INCENTIVE GRANT - the local boards want the total incentive grant in the first year

- they want more than 30%*

*Some members want a 30% incentive grant to build local programs with the federal government paying additional money for students that leave the district. They do not want the incentive to be used to offset exiting students tuition loss. The federal government would hold an

additional 15% in Washington to offset up to the 15% dollar level of student shifts, expenditures above 15% would be the responsibility of the district. The incentive grant could be used for expenditures beyond the 15% fund.

INCENTIVE GRANT (Cont'd)

EXAMPLE:

Voucher Value = $1,000

# of Students	1,000
TOTAL APPROPRIATION	$1,000,000

	ANNUAL INCENTIVE GRANT	$60,000
	15% FUND	30,000
		REVENUE
900 students go to present school		$900,000
100 students exit	$100,000	
cost reduction due to exit	$25,000	
fund needed to operate		$975,000
	deficit	-75,000
	15% fund	30,000
	incentive grant	60,000
	funds remaining (incentive)	$ 15,000

+ up to $30,000 the feds pay, beyond $30,000 the incentive grant will be used.

PHASE II REPORT SUMMARY *

NEW HAMPSHIRE EDUCATION VOUCHER DEMONSTRATION

Summary Statements:

1. An Education Voucher Authority will be established to administer the demonstration.

2. If approved by the local districts, the State Board of Education, and the National Institute of Education, the demonstration will be fully operational for (5) five years with an additional (2) two years for phasing out the demonstration's functions and activities, with annual consideration optional for all parties (State Board, Local districts, and NIE).

3. A local Voucher Review Committee will recommend to the Local School District Board the voucher values for consideration at the annual school district meeting.

4. A voucher, representing a sum of money, will be provided every district-resident parent/legal guardian for each eligible child.

5. The parent/legal guardian may cash the voucher at any public or private N. H. State Board (or its counterpart in other states) approved school in the continental United States that is willing to accept it as full or partial payment for education services.

6. Any school accepting vouchers must certify that it is legally qualified to accept public monies for the educational services it renders.

7. No fee transportation will be provided (within the provisions of existing State Statutes) for all participating children attending any approved school within the contiguous districts of the participating district.

8. Local districts will be expected to maintain the existing level of financial effort to support education in the district. Additional costs due to the implementation of the demonstration will be borne by the National Institute of Education as part of their commitment to the demonstration.

9. A sum of money, equal to 30 percent of the district's total appropriation in the 1975-'76 budget, will be given to each local district as an incentive for participating in the demonstration.

10. Parents may transfer their children from one alternative to another at any time of the year during the demonstration.

*"Education Vouchers Study and Planning Project: Phase II Report," Manchester, N.H. (January, 1976) pp. 1-2.

11. Public schools will operate with the monies received from the vouchers of pupils attending those schools plus any additional amount voted by the district at the annual meeting.

12. A local school board may operate several schools at the same grade level with different programs, but these would qualify as only one alternative for parental choice. There must also be another separate, autonomous unit available to provide parents with a minimum choice of one other alternative for which no-fee transportation will be provided by the local district for all participating students eligible under existing statutes that detail transportation limitations.

AFTER THIS REPORT WENT TO PRESS, ITEM 12 WAS CHANGED TO READ THUS:

12. AN "ALTERNATIVE PROGRAM" IS ONE THAT CAN BE PROVIDED IN THE SAME PUBLIC SCHOOL WITHIN THE DISTRICT, ANOTHER PUBLIC SCHOOL OR PRIVATE SCHOOL WITHIN THE DISTRICT, OR TO PUBLIC SCHOOLS OR PRIVATE SCHOOLS OUTSIDE THE SCHOOL DISTRICT.

The State of New Hampshire

SCHOOL WARRANT

To the inhabitants of the School District in the Town of Candia, County of Rockingham and State of New Hampshire qualified to vote in district affairs:

You are hereby notified to meet at the Moore School, in said Town of Candia, in aforeseaid County and State, on the fourth day of March, 1976 at 7:30 o'clock in the evening, to act upon the following subjects:

1. To choose a Moderator for the ensuing year.

2. To choose a Clerk for the ensuing year.

3. To choose a Member of the School Board for the ensuing three years.

4. To choose a Treasurer for the ensuing year.

5. To choose two Auditors for the ensuing year.

6. To see if the District will appropriate $415,000.00, or any other sum for (1) constructing and equipping an addition to Moore School including a Gymnasium and (2) making alterations to the Moore School and to determine whether such appropriations shall be raised by borrowing or otherwise, or to take any other action relative thereto.

7. To determine and appoint the salaries of the School Board and Truant Officer, and fix the compensation of any other officers or agents of the District.

8. To hear the reports of Agents, Auditors, Committees, or officers or agents of the District.

9. To see if the District will hold to adopt the Education Voucher Program for the school year 1976-77 in accordance with the rules and regulations of the program as they exist and as they may from time to time be amended by the State Board of Education; approving individual voucher value as follows for the school year 1976-77:

Basic Elementary	$1,004.00
Basic Secondary	1,342.00
Special Education Elem.	1,386.00
Special Education Sec.	1,852.00
Vocational Education	1,704.00

Raising and appropriating the sum of $200,375.00 to fund the Education Voucher Program; and authorizing the School Board to do all things necessary, including the right to receive and expend all federal and/or state funds available to the District under the program, including also the right to enter into agreements with the State Board of Education in order to implement the program as set forth above.

10. To see if the voters will authorize the School Board to make application for and to accept on behalf of the District, up to $5,000.00 from the Rockingham Stratford Manpower Administration and to expend the same for such projects as the School Board may designate.

11. To see if the School District will vote to allow approximately $3,400.00 remaining in the School Building Study, Investigation and Planning Account to be used for general support of schools during the 1975-76 fiscal year.

12. Supplemental Appropriation: To see if the District will vote to direct the School Board to make application for, receive and expend $2,814.75 for a Nonfood Assistance Grant from the State of New Hampshire during the 1975-76 school year.

13. To see what sum of money the School District will vote to raise and appropriate for the support of schools, for the salaries of School District Officers and Agents, and for the payment of statutory obligations of the District.

14. To see if the voters will authorize the School Board to accept on behalf of the District, any Federal or State funds designated to improve educational opportunities. Further, to see if the District will authorize the School Board to make application for such funds and to expend the same for such projects as it may designate.

CANDIA SCHOOL BUDGET

PURPOSE OF APROPRIATION

ITEM:	School Board's Expenditures	Approved Budget 1975-76	School Board's Budget 1976-77
ADMINISTRATION:			
Salaries	$ 1,135.00	$ 1,105.00	$ 1,440.00
Contracted Services	150.00	125.00	400.00
Other Expenses	547.30	5,650.00	800.00
Salaries	192,778.96	211,855.50	242,943.00
Textbooks	3,444.01	3,550.00	4,126.22
Library & A.V.	4,012.16	1,125.00	2,300.00
Teaching Supplies	10,231.45	9,012.75	12,300.22
Contracted Services	718.84	1,450.00	1,450.00
Other Expenses	3,420.82	3,200.00	3,925.00
ATTENDANCE SERVICES:	50.00	50.00	50.00
HEALTH SERVICES:	3,874.39	4,050.00	4,233.00
PUPIL TRANSPORTATION:	31,706.78	28,620.00	34,572.00
OPERATION OF PLANT:			
Salaries	8,750.00	8,861.50	12,833.00
Supplies	2,122.35	2,400.00	4,100.00
Contracted Services	158.14	800.00	950.00
Heat	6,722.75	8,000.00	11,240.00
Utilities	4,396.98	5,000.00	6,920.00
MAINTENANCE OF PLANT:	5,440.65	3,300.00	11,532.20
FIXED CHARGES:			
Teachers Retirement & FICA	14,813.66	16,067.00	21,585.00
Insurance	9,017.28	11,185.00	14,235.00
Rent	1,500.00	1,500.00	.00
SCHOOL LUNCH & SPECIAL MILK	2,291.18	2,500.00	9,500.00
STUDENT BODY ACTIVITIES	1,783.50	1,825.00	2,375.00
COMMUNITY ACTIVITIES	.00	.00	50.00
CAPITAL OUTLAY:			
Sites	3,500.00	.00	50.00
Buildings	.00	3,300.00	415,000.00
Equipment	3,465.67	1,440.00	2,182.00
DEBT SERVICE:			
Principal of Debt.	3,150.00	3,150.00	3,150.00
Interest on Debt.	921.38	819.00	17,116.25
OUTGOING TRANSFER ACCOUNTS IN STATE			
Tuition	201,226.25	233,519.00	227,275.00
Transportation	125.00	.00	.00
Supervisory Union Expense	12,187.00	12,298.35	14,180.54
Payments to Capital Reserve	1,000.00	1,000.00	.00
EXPENDITURES TO OTHER THAN PUBLIC SCHOOLS	13,522.52	16,500.00	28,377.00
ROOM CONSTRUCTION WITH CAPITAL RESERVE FUNDS	.00	4,741.90	.00
VOUCHER	.00	.00	200,375.00
TOTAL APPROPRIATIONS	$548,164.02	$608,000.00	$1,311,565.43

Revenues and Credits Available

ITEM	Actual Receipts 1974-75	Approved Budget 1975-76	School Board's Budget 1976-77
UNENCUMBERED BALANCE	$ 16,239.72	$ 20,020.39	$ .00
Revenue from State Sources			
Sweepstakes	7,547.44	14,163.35	12,800.00
Foundation Aid	87,503.60	80,347.51	59,861.42
School Building Aid	974.15	974.15	974.15
Area Vocational School	.00	.00	.00
Driver Education	.00	2,000.00	2,000.00
Foster Children	480.00	.00	2,200.00
Supplemental Building Aid	720.21	.00	.00
Revenue from Federal Sources			
NDEA Title III — Science, Math & Lang.	.00	.00	1,000.00
Sch. Lunch & Spec. Milk Program	1,700.00	2,040.00	9,000.00
Public Law 874 (Impacted Area—Cur. Op.)	2,500.00	2,500.00	2,500.00
Voucher	.00	.00	198,771.00
Manpower Administration	.00	.00	5,000.00
Local Revenue Except Taxes			
Bus Fares and Other	5,500.00	7,000.00	7,000.00
Bonds—Notes & Capital Res. Funds			
Bond or Note Issues	.00	.00	415,000.00
Withdrawals from Capital Reserve Fund	.00	4,741.00	.00
TOTAL SCHOOL REVENUES & CREDITS	123,165.12	133,787.30	716,106.57
DISTRICT ASSESSMENT	444,453.88	474,212.70	595,458.86
TOTAL APPROPRIATIONS	$567,619.00	$608,000.00	$1,311,565.43

SALEM

1976 - 1977 SCHOOL DISTRICT WARRANT
STATE OF NEW HAMPSHIRE

To the inhabitants of the School District in the Town of Salem, qualified to vote in District affairs:

You are hereby notified to meet at the Salem High School in said District on the 20th day of March, 1976, at 1:00 o'clock in the afternoon to act upon the following subjects:

1. To see if the District will authorize the school board to make application for, to receive and to spend in the name of the district such advances, grant-in-aid or other funds for educational purposes, as may now or hereafter be forthcoming from Federal, state, local, or private agencies.

2. The Salem School District vote to require the school board to make public any initial proposals that necessitate the school board, or their agents, to enter negotiations.
Charles Coll and others.

3. To see if the Salem School District will vote the sum of $2570.00 (twenty-five hundred and seventy dollars) for the purpose of establishing a tennis team at Salem High School.
Bernard W. Campbell and others.

4. To see if the District will raise and appropriate a sum of $1800.00 (eighteen-hundred dollars) for the purpose of continuing golf as an interscholastic sport at Salem High School.
Carl D. Robertson and others.

5. To see if the District will vote to adopt the Education Voucher Program for the school year 1976 - 1977 in accordance with the rules and regulations of the program as they exist and as they may from time to time be amended by the State Board of Education, approving individual voucher value as follows for the school year 1976 - 1977:

Basic Elementary	$1133
Basic Middle/Jr. High	
Basic Secondary	$1400
Special Education	E $1564 S $1932
Vocational Education	$1778

raising and appropriating the sum of $1,876,956 to fund the Education Voucher Program; and authorizing the School Board to do all things necessary, including the right to receive and expend all federal and/or state funds available to the District under the program, including also the right to enter into agreements with the State Board of Education in order to implement the program as set forth above.

6. To see if the District will vote to raise and appropriate the sum of $98,400.00 to implement a teacher pay raise comparable to that given the town employees.
Geoffrey M. Bird and others.

7. To see what sum of money the District will vote to raise and appropriate for the support of schools, for the payments of salaries of school district officials and agents, and for the payment of the statutory obligations of the district.

8. To transact any further business that may legally come before the meeting.

The New Hampshire State Department of Revenue Administration has audited the school district books but the reports are unavailable for printing. They may be reviewed in the Supervisory Union Office, Woodbury School as soon as they are available.

SECTION 1		APPROVED BUDGET 1975-76	SCHOOL BOARD'S BUDGET 1976-77	BUDGET COMMITTEE RECOMMENDED 1976-77	BUDGET COMMITTEE SUBMITTED WITHOUT RECOMMENDATION
PURPOSE OF APPROPRIATION					
100	**Administration**	XXXX X	XXXX X	XXXX X	XXXX X
	110 Salaries	133,607.00	134,162.00	132,428.00	
	135 Contracted Services	18,095.00	25,140.00	23,140.00	
	190 Other Expenses	17,590.00	23,315.00	21,315.00	
200.	**Instruction**	XXXX X	XXXX X	XXXX X	XXXX X
	210 Salaries	3,199,904.00	3,441,126.00	3,426,126.00	
	215 Textbooks	54,499.00	58,361.00	52,525.00	
	220 Library & Audiovisual Materials	53,528.00	56,612.00	50,951.00	
	230 Teaching Supplies	160,317.00	163,736.00	147,000.00	
	235 Contracted Services	68,933.00	70,764.00	70,764.00	
	290 Other Expenses	30,654.00	31,973.00	31,973.00	
300.	**Attendance Services**	3,500.00	3,500.00	3,500.00	
400.	**Health Services**	54,256.00	57,314.00	56,314.00	
500.	**Pupil Transportation**	230,380.00	253,984.00	253,984.00	
600.	**Operation of Plant**	XXXX X	XXXX X	XXXX X	XXXX X
	610 Salaries	190,899.00	193,730.00	190,000.00	
	630 Supplies	32,388.00	31,388.00	28,250.00	
	635 Contracted Services	7,300.00	7,665.00	7,665.00	
	640 Heat	77,044.00	102,716.00	92,716.00	
	645 Utilities	129,589.00	169,262.40	172,134.00	
	690 Other Expenses	4,060.00	4,660.00	4,000.00	
700.	**Maintenance of Plant**	213,815.00	263,779.00	224,684.00	
800.	**Fixed Charges**	XXXX X	XXXX X	XXXX X	XXXX X
	850 Employee Retirement & F.I.C.A.	262,410.00	299,961.00	347,421.00	
	855 Insurance	181,842.00	202,654.00	202,653.00	
	860 Rent				
	890 Other Expenses				
900*	**School Lunch & Spec. Milk Program**	49,376.00	49,938.00	49,938.00	2,570.00
1000.	**Student-Body Activities**	81,209.00	89,287.14	92,503.00	1,800.00
1100.	**Community Activities**	191.00	200.00	200.00	
1200.	**Capital Outlay**	XXXX X	XXXX X	XXXX X	XXXX X
	1265 Sites	18,495.00	21,685.00	21,000.00	
	1266 Buildings	7,625.00	800.00	800.00	
	1267 Equipment	44,257.00	43,173.00	13,000.00	
1300.	**Debt Service**	XXXX X	XXXX X	XXXX X	XXXX X
	1370 Principal of Debt	407,000.00	407,000.00	407,000.00	
	1371 Interest on Debt	217,974.00	199,415.00	199,415.00	
	1390 Other Debt Service	125.00	125.00	125.00	
1477.	**Outgoing Transfer Accounts in State**	XXXX X	XXXX X	XXXX X	XXXX X
	1477.1 Tuition				
	1477.2 Transportation				
	1477.3 Supervisory Union Expenses				
	1477.5 Payments into Cap. Res. Funds				
	1477.9 Other Expenses				
1478.	**Outgoing Transfer Acc'ts. out of State**	XXXX X	XXXX X	XXXX X	XXXX X
	1478.1 Tuition	.00	9,226.00	9,226.00	
	1478.2 Transportation				
	1478.9 Other Expenses				
1479.	**Expenditures to other than Pub. Schools**	45,733.00	34,618.00	34,618.00	
1600.	**Adult Education**	10,446.00	11,298.00	11,298.00	
1700.	**Summer School**	1,500.00	1,500.00	1,500.00	
	Contingency Fund				
	Deficit Approp				
	Supplemental Approp				
1900.	Federal Programs	79,012.00	78,032.00	78,032.00	
1900.	Voucher Proposal		1,876,956.00	1,876,956.00	
	TOTAL APPROPRIATIONS	6,087,553.00	8,419,056.00	8,335,154.00	4,370.00

*FEDERAL & DISTRICT FUNDS

(3) Article 3 - w/o Recommendation
(4) Article 4 - w/o Recommendation

8

Article 5 Recommended
Article 6 Disapproved

SECTION II

REVENUES & CREDITS AVAILABLE TO REDUCE SCHOOL TAXES	APPROVED REVENUES 1975-76	ESTIMATED REVENUES SCHOOL BOARD'S BUDGET 1976-77	ESTIMATED REVENUES BUDGET COMMITTEE 1976-77
UNENCUMBERED BALANCE	8,997.19	50,000.00	50,000.00
Revenue from State Sources	XXXX X	XXXX X	XXXX X
Sweepstakes	132,183.90	70,000.00	70,000.00
Foundation Aid			
School Building Aid	122,924.82	122,924.00	122,924.00
Area Vocational School			
Driver Education	7,000.00	7,000.00	7,000.00
Intellectually Retarded			
Child Benefits	4,256.00	4,000.00	4,000.00
Foster Children	1,000.00	1,000.00	1,000.00
Revenue from Federal Sources:	XXXX X	XXXX X	XXXX X
NDEA Title III Science, Math & Lang			
NDEA Title V Guidance & Testing			
Vocational Education	37,000.00		
National Forest Reserve			
Flood Control			
Sch Lunch & Special Milk Program	40,000.00	40,000.00	40,000.00
PL815 (Impacted Area Cap Outlay)			
PL 874 (Impacted Area-Cur. Oper.)	3,500.00	4,000.00	4,000.00
PL 89 10 (ESEA)			
Voucher Proposal		1,876,956.00	1,876,956.00
Other: Title I, Vocational, Title IV	42,000.00	78,032.00	78,032.00
Local Revenue Except Taxes:	XXXX X	XXXX X	XXXX X
Tuition	32,500.00	24,840.00	24,840.00
Trust Fund Income	2,900.00	2,750.00	2,750.00
Rent	23,500.00	30,000.00	30,000.00
Other Revenue from Local Sources Athletics, Driver Tr. Etc	23,760.00	22,120.00	22,120.00
Interest - Royalties		20,000.00	20,000.00
Bonds-Notes & Capital Res. Funds:	XXXX X	XXXX X	XXXX X
Bond or Note Issues			
Withdrawals from Cap. Res. Funds			
TOTAL SCHOOL REVENUES and CREDITS	481,521.91	2,353,622.00	2,353,622.00 *
DISTRICT ASSESSMENT ➡	3,087,553.00	6,065,434.00	5,981,532.00
TOTAL APPROPRIATIONS	3,606,031.09	8,419,056.00	8,335,154.00

*Does not included school share of business profit tax $236,728.00

Detail on items under Capital Outlay in 1976-77 Budget to be financed by bonds, notes and/or withdrawals from capital reserve funds:

PURPOSE	AMOUNT

ALLENSTOWN SCHOOL DISTRICT WARRANT

THE STATE OF NEW HAMPSHIRE

TO THE INHABITANTS OF THE SCHOOL DISTRICT IN THE TOWN OF ALLENSTOWN IN THE COUNTRY OF MERRIMACK QALIFIED TO VOTE IN DISTRICT AFFAIRS:

You are hereby notified to meet at the Allenstown Elementary School in said District on the 6th day of March, 1976 at 10 o'clock in the forenoon to act upon the following subjects:

The polls for the election of officers will open at 10 o'clock a.m. and will close at the end of the meeting but not earlier than 3 o'clock p.m.

Consideration of Articles five through sixteen will begin at 1 o'clock p.m. at the Allenstown Elementary School.

1. To choose a Moderator for the coming year.

2. To choose a Clerk for the ensuing year.

3. To choose a member of the School Board for the ensuing three years.

4. To choose a Treasurer for the ensuing year.

5. To determine and appoint the salaries of the School Board and Truant Officer, and fix the compensation of any other officers or agent of the District.

6. To hear the reports of Agents, Auditors, Committees or Officers chosen, and pass any vote relating thereto.

7. To choose Agents, Auditors and Committees in relation to any subject embraced in this warrant.

8. To see if the voters will authorize the School Board to accept on behalf of the District any Federal or State Funds designed to improve educational opportunities. Further to see if the District will authorize the School Board to make application for such funds and to expend the same for such projects as it may designate.

9. To see if the District will vote to change the purpose of the Capital Reserve Fund from land purchase to site development.

10. To see if the District will vote to authorize the School Board to spend nine thousand five hundred ($9,500.00) dollars from the Capital Reserve Fund for the purpose of constructing and equipping an athletic area. Said funds to be expended, if the School Board so decides, prior to June 30, 1976. Approved by the Budget Committee.

11. To see if the District will vote to adopt the Education Voucher Program for the school year 1976-1977 in accordance with the rules and regulations of the program as they exist and they may from time to time be amended by the State Board of Education: approving individual voucher value as follows for the school year 1976-1977:

Basic Elementary	$972.00
Basic Middle/Jr. High	$0
Basic Secondary	$1,338.00
Special Education Elementary	$1,341.00
Special Education Secondary	$1,846.00
Vocational Education	$1,699.00

raising and appropriating the sum of $406,496.00 to fund the Education Voucher Program; and authorizing the School Board to do all things necessary, including the right to receive and expend all federal and/or state funds available to the District under the program, including also the right to enter into agreements with the State Board of Education in order to implement the program as set forth above. Approved by the Budget Committee.

12. To see if the District will vote to implement an in-service training program for the Allenstown Professional Staff through the auspices of Supervisory Union #53. Approved by the Budget Committee.

13. To see if the Voters of the District will vote to authorize the School Board to accept gifts and donations.

14. To have the election of all the School District officers, starting with the 1977 election, held at the annual town meeting, by separate ballot. (By petition)

Budget for Allenstown School District

PURPOSE OF APPROPRIATION	APPROVED BUDGET 1975-76	SCHOOL BOARD'S BUDGET 1976-77	RECOMMENDED 1976-77
Administration			
Salaries	$ 1,280.00	$ 1,280.00	$ 1,280.00
Contracted Services	735.00	1,935.00	1,935.00
Other Expenses	345.00	395.00	395.00
Instruction			
Salaries	278,974.00	$303,574.00	$ 303,574.00
Textbooks	5,745.00	8,[illegible].00	7,500.00
Library & Audiovisual Materials	4,881.00	6,236.00	6,236.00
Teaching Supplies	14,648.00	16,446.00	15,500.00
Contracted Services	2,840.00	5,947.00	5,947.00
Other Expenses	2,672.00	4,129.00	3,529.00
Attendance Services	150.00	150.00	150.00
Health Services	9,832.00	9,884.00	9,884.00
Pupil Transportation	21,010.00	21,550.00	21,550.00
Operation of Plant			
Salaries	15,892.00	16,698.00	16,000.00
Supplies	5,000.00	4,235.00	4,235.00
Contracted Services	1,100.00	1,350.00	1,350.00
Heat	6,000.00	4,835.00	4,835.00
Utilities	5,816.00	7,187.00	7,187.00
Maintenance of Plant	4,405.00	11,754.00	5,254.00
Fixed Charges			
Employee Retirement & F.I.C.A.	23,954.00	28,323.00	28,323.00
Insurance	7,770.00	9,055.00	9,055.00
Rent	30,000.00	30,000.00	30,000.00
School Lunch & Spec. Milk Program	24,759.00	29,442.00	29,442.00
Student-Body Activities	4,077.00	3,630.00	3,630.00
Capital Outlay			
Sites	10,000.00	5,000.00	5,000.00
Equipment	3,714.00	5,990.00	5,000.00
Debt Service			
Principal of Debt	28,000.00	28,000.00	28,000.00
Interest on Debt	18,500.00	17,220.00	17,220.00
Outgoing Transfer Accounts in State			
Tuition	240,000.00	281,580.00	260,000.00
Supervisory Union Expenses	13,813.00	16,281.65	16,281.65
Expenditures to other than Pub. Schools	3,296.00	9,842.00	9,842.00
Summer School	4,044.00	3,903.00	3,903.00
Voucher Project		406,496.00	406,496.00
TOTAL APPROPRIATIONS	$794,332.00	$1,300,634.65	$1,268,533.65

REVENUES & CREDITS AVAILABLE TO REDUCE SCHOOL TAXES	APPROVED REVENUES 1975-76	ESTIMATED REVENUES SCHOOL BOARD'S BUDGET 1976-77	ESTIMATED REVENUES BUDGET COMMITTEE 1976-77
Unencumbered Balance	22,853.22		
Revenue from State Sources:			
Sweepstakes	13,111.92	$ 14,489.54	$ 14,489.54
Foundation Aid	87,484.27	125,545.16	125,545.16
School Building Aid	8,400.00	8,400.00	8,400.00
Aid to Foster Children	700.00	700.00	700.00
Revenue from Federal Sources:			
School Lunch & Special Milk Program	10,000.00	15,000.00	15,000.00
PL 874 (Impacted Area-Cur. Oper.)	2,000.00	2,000.00	2,000.00
Depr. of Resources & Econ. Dev.	5,000.00	5,000.00	5,000.00
Voucher Project		304,317.00	304,317.00
Local Revenue Except Taxes:			
School Lunch (Salaries) Reimb.	12,259.00	15,330.00	15,330.00
Bonds-Notes & Capital Res. Funds:			
Int. & Bal. of 1972 Bond Issue	55,396.93		
Withdrawals from Cap. Res. Funds	9,500.00		
TOTAL SCHOOL REVENUES and CREDITS	$235,705.34	$490,781.70	$490,781.70
District Assessment	558,626.66	809,852.95	777,751.95
TOTAL APPROPRIATIONS	$794,332.00	$1,300,634.65	$1,268,533.65

*Est. 1976 reimbursement to towns for loss of tax exempted by 1970 special session and schedule of credits School 1976/7 (31062.00).

Detail on items under Capital Outlay in 1976-77 Budget to be financed by bonds, notes and/or withdrawals from capital reserve funds:

15. To see what sum of money the District will vote to raise and appropriate for the support of schools, for the salaries of School District Officers and Agents and for the payment of the statutory obligations of the District.

16. To transact any other business that may legally come before said meeting.

Given under our hands and seals at said Allenstown, this day of , A.D., 1976.

Gerard Lavoie
Romeo Descoteaux
Armand Dupont
Allenstown School Board

a true Copy of Warrant - Attest:
Gerard Lavoie
Romeo Descoteaux
Armand Dupont
Allenstown School Board

REPORT OF THE SCHOOL DISTRICT TREASURER

for the
Fiscal Year July 1, 1974 to June 30, 1975

Return Original to State Department of Education Prior to July 15, 1975

SUMMARY

Cash on Hand July 1, 1974 (Treasurer's bank balance)	$13,328.29
Received from Selectmen (Include only amounts actually received)	578,923.24
Revenue from State Sources	126,513.74
Revenue from Federal Sources	2,942.54
Received from Tuitions	392.73
Received as income from Trust Funds	0
Received from Sale of Notes and Bonds (Principal only)	0
Received from Capital Reserve Funds	0
Received from all Other Sources	433.38
TOTAL RECEIPTS	709,205.63
TOTAL AMOUNT AVAILABLE FOR FISCAL YEAR (Balance and Receipts)	722,533.92
LESS SCHOOL BOARD ORDERS PAID	694,783.40
BALANCE ON HAND JUNE 30, 1975 (Treasurer's Bank Balance)	27,750.52

The beginning cash balance was adjusted by the auditors in the amount of $100,000.00 and $49.78 because the $100 in funds were actually received in August 1974 and the $49.78 amount was for a cancelled check.

July 15, 1975

Marguerite Gendron
District Treasurer

CANDIA

The State of New Hampshire

SCHOOL WARRANT

To the inhabitants of the School District in the Town of Candia, County of Rockingham and State of New Hampshire qualified to vote in district affairs:

You are hereby notified to meet at the Moore School, in said Town of Candia, in aforeseaid County and State, on the fourth day of March, 1976 at 7:30 o'clock in the evening, to act upon the following subjects:

1. To choose a Moderator for the ensuing year.

2. To choose a Clerk for the ensuing year.

3. To choose a Member of the School Board for the ensuing three years.

4. To choose a Treasurer for the ensuing year.

5. To choose two Auditors for the ensuing year.

6. To see if the District will appropriate $415,000.00, or any other sum for (1) constructing and equipping an addition to Moore School including a Gymnasium and (2) making alterations to the Moore School and to determine whether such appropriations shall be raised by borrowing or otherwise, or to take any other action relative thereto.

7. To determine and appoint the salaries of the School Board and Truant Officer, and fix the compensation of any other officers or agents of the District.

8. To hear the reports of Agents, Auditors, Committees, or officers or agents of the District.

9. To see if the District will hold to adopt the Education Voucher Program for the school year 1976-77 in accordance with the rules and regulations of the program as they exist and as they may from time to time be amended by the State Board of Education; approving individual voucher value as follows for the school year 1976-77:

Basic Elementary	$1,004.00
Basic Secondary	1,342.00
Special Education Elem.	1,386.00
Special Education Sec.	1,852.00
Vocational Education	1,704.00

Raising and appropriating the sum of $200,375.00 to fund the Education Voucher Program; and authorizing the School Board to do all things necessary, including the right to receive and expend all federal and/or state funds available to the District under the program, including also the right to enter into agreements with the State Board of Education in order to implement the program as set forth above.

10. To see if the voters will authorize the School Board to make application for and to accept on behalf of the District, up to $5,000.00 from the Rockingham Stratford Manpower Administration and to expend the same for such projects as the School Board may designate.

11. To see if the School District will vote to allow approximately $3,400.00 remaining in the School Building Study, Investigation and Planning Account to be used for general support of schools during the 1975-76 fiscal year.

12. Supplemental Appropriation: To see if the District will vote to direct the School Board to make application for, receive and expend $2,814.75 for a Nonfood Assistance Grant from the State of New Hampshire during the 1975-76 school year.

13. To see what sum of money the School District will vote to raise and appropriate for the support of schools, for the salaries of School District Officers and Agents, and for the payment of statutory obligations of the District.

14. To see if the voters will authorize the School Board to accept on behalf of the District, any Federal or State funds designated to improve educational opportunities. Further, to see if the District will authorize the School Board to make application for such funds and to expend the same for such projects as it may designate.

CANDIA SCHOOL BUDGET

PURPOSE OF APROPRIATION

ITEM:	School Board's Expenditures	Approved Budget 1975-76	School Board's Budget 1976-77
ADMINISTRATION:			
Salaries	$ 1,135.00	$ 1,105.00	$ 1,440.00
Contracted Services	150.00	125.00	400.00
Other Expenses	547.30	5,650.00	800.00
Salaries	192,778.96	211,855.50	242,943.00
Textbooks	3,444.01	3,550.00	4,126.22
Library & A.V.	4,012.16	1,125.00	2,300.00
Teaching Supplies	10,231.45	9,012.75	12,300.22
Contracted Services	718.84	1,450.00	1,450.00
Other Expenses	3,420.82	3,200.00	3,925.00
ATTENDANCE SERVICES:	50.00	50.00	50.00
HEALTH SERVICES:	3,874.39	4,050.00	4,233.00
PUPIL TRANSPORTATION:	31,706.78	28,620.00	34,572.00
OPERATION OF PLANT:			
Salaries	8,750.00	8,861.50	12,833.00
Supplies	2,122.35	2,400.00	4,100.00
Contracted Services	158.14	800.00	950.00
Heat	6,722.75	8,000.00	11,240.00
Utilities	4,396.98	5,000.00	6,920.00
MAINTENANCE OF PLANT:	5,440.65	3,300.00	11,532.20
FIXED CHARGES:			
Teachers Retirement & FICA	14,813.66	16,067.00	21,585.00
Insurance	9,017.28	11,185.00	14,235.00
Rent	1,500.00	1,500.00	.00
SCHOOL LUNCH & SPECIAL MILK	2,291.18	2,500.00	9,500.00
STUDENT BODY ACTIVITIES	1,783.50	1,825.00	2,375.00
COMMUNITY ACTIVITIES	.00	.00	50.00
CAPITAL OUTLAY:			
Sites	3,500.00	.00	50.00
Buildings	.00	3,300.00	415,000.00
Equipment	3,465.67	1,440.00	2,182.00
DEBT SERVICE:			
Principal of Debt	3,150.00	3,150.00	3,150.00
Interest on Debt	921.38	819.00	17,116.25
OUTGOING TRANSFER ACCOUNTS IN STATE			
Tuition	201,226.25	233,519.00	227,275.00
Transportation	125.00	.00	.00
Supervisory Union Expense	12,187.00	12,298.35	14,180.54
Payments to Capital Reserve	1,000.00	1,000.00	.00
EXPENDITURES TO OTHER THAN PUBLIC SCHOOLS	13,522.52	16,500.00	28,377.00
ROOM CONSTRUCTION WITH CAPITAL RESERVE FUNDS	.00	4,741.90	.00
VOUCHER	.00	.00	200,375.00
TOTAL APPROPRIATIONS	$548,164.02	$608,000.00	$1,311,565.43

Revenues and Credits Available

ITEM	Actual Receipts 1974-75	Approved Budget 1975-76	School Board's Budget 1976-77
UNENCUMBERED BALANCE	$ 16,239.72	$ 20,020.39	$ .00
Revenue from State Sources			
Sweepstakes	7,547.44	14,163.35	12,800.00
Foundation Aid	87,503.60	80,347.51	59,861.42
School Building Aid	974.15	974.15	974.15
Area Vocational School	.00	.00	.00
Driver Education	.00	2,000.00	2,000.00
Foster Children	480.00	.00	2,200.00
Supplemental Building Aid	720.21	.00	.00
Revenue from Federal Sources			
NDEA Title III — Science, Math & Lang.	.00	.00	1,000.00
Sch. Lunch & Spec. Milk Program	1,700.00	2,040.00	9,000.00
Public Law 874 (Impacted Area—Cur. Op.)	2,500.00	2,500.00	2,500.00
Voucher	.00	.00	198,771.00
Manpower Administration	.00	.00	5,000.00
Local Revenue Except Taxes			
Bus Fares and Other	5,500.00	7,000.00	7,000.00
Bonds—Notes & Capital Res. Funds			
Bond or Note Issues	.00	.00	415,000.00
Withdrawals from Capital Reserve Fund	.00	4,741.00	.00
TOTAL SCHOOL REVENUES & CREDITS	123,165.12	133,787.30	716,106.57
DISTRICT ASSESSMENT	444,453.88	474,212.70	595,458.86
TOTAL APPROPRIATIONS	$567,619.00	$608,000.00	$1,311,565.43

SALEM

1976 - 1977 SCHOOL DISTRICT WARRANT
STATE OF NEW HAMPSHIRE

To the inhabitants of the School District in the Town of Salem, qualified to vote in District affairs:

You are hereby notified to meet at the Salem High School in said District on the 20th day of March, 1976, at 1:00 o'clock in the afternoon to act upon the following subjects:

1. To see if the District will authorize the school board to make application for, to receive and to spend in the name of the district such advances, grant-in-aid or other funds for educational purposes, as may now or hereafter be forthcoming from Federal, state, local, or private agencies.

2. The Salem School District vote to require the school board to make public any initial proposals that necessitate the school board, or their agents, to enter negotiations.
Charles Coll and others.

3. To see if the Salem School District will vote the sum of $2570.00 (twenty-five hundred and seventy dollars) for the purpose of establishing a tennis team at Salem High School.
Bernard W. Campbell and others.

4. To see if the District will raise and appropriate a sum of $1800.00 (eighteen-hundred dollars) for the purpose of continuing golf as an interscholastic sport at Salem High School.
Carl D. Robertson and others.

5. To see if the District will vote to adopt the Education Voucher Program for the school year 1976 - 1977 in accordance with the rules and regulations of the program as they exist and as they may from time to time be amended by the State Board of Education; approving individual voucher value as follows for the school year 1976 - 1977:

Basic Elementary	$1133
Basic Middle/Jr. High	
Basic Secondary	$1400
Special Education	E $1564 S $1932
Vocational Education	$1778

raising and appropriating the sum of $1,876,956 to fund the Education Voucher Program; and authorizing the School Board to do all things necessary, including the right to receive and expend all federal and/or state funds available to the District under the program, including also the right to enter into agreements with the State Board of Education in order to implement the program as set forth above.

6. To see if the District will vote to raise and appropriate the sum of $98,400.00 to implement a teacher pay raise comparable to that given the town employees.
Geoffrey M. Bird and others.

7. To see what sum of money the District will vote to raise and appropriate for the support of schools, for the payments of salaries of school district officials and agents, and for the payment of the statutory obligations of the district.

8. To transact any further business that may legally come before the meeting.

The New Hampshire State Department of Revenue Administration has audited the school district books but the reports are unavailable for printing. They may be reviewed in the Supervisory Union Office, Woodbury School as soon as they are available.

189

SALEM

SECTION 1 PURPOSE OF APPROPRIATION	APPROVED BUDGET 1975-76	SCHOOL BOARD'S BUDGET 1976-77	BUDGET COMMITTEE RECOMMENDED 1976-77	BUDGET COMMITTEE SUBMITTED WITHOUT RECOMMENDATION
100. **Administration**	XXXX X	XXXX X	XXXX X	XXXX X
110. Salaries	133,607.00	134,162.00	132,428.00	
135. Contracted Services	18,095.00	25,140.00	23,140.00	
190. Other Expenses	17,590.00	23,315.00	21,315.00	
200. **Instruction**	XXXX X	XXXX X	XXXX X	XXXX X
210. Salaries	3,199,904.00	3,441,126.00	3,426,126.00	
215. Textbooks	54,499.00	58,361.00	52,525.00	
220. Library & Audiovisual Materials	53,528.00	56,612.00	50,951.00	
230. Teaching Supplies	160,317.00	163,736.00	147,000.00	
235. Contracted Services	64,933.00	70,764.00	70,764.00	
290. Other Expenses	30,654.00	31,973.00	31,973.00	
300. **Attendance Services**	3,500.00	3,500.00	3,500.00	
400. **Health Services**	54,256.00	57,314.00	56,314.00	
500. **Pupil Transportation**	230,380.00	253,984.00	253,984.00	
600. **Operation of Plant**	XXXX X	XXXX X	XXXX X	XXXX X
610. Salaries	190,899.00	193,730.00	190,000.00	
630. Supplies	32,388.00	31,388.00	28,250.00	
635. Contracted Services	7,300.00	7,665.00	7,665.00	
640. Heat	77,044.00	102,716.00	92,716.00	
645. Utilities	129,589.00	169,262.40	172,134.00	
690. Other Expenses	4,060.00	4,660.00	4,000.00	
700. **Maintenance of Plant**	213,815.00	263,779.00	224,684.00	
800. **Fixed Charges**	XXXX X	XXXX X	XXXX X	XXXX X
850. Employee Retirement & F.I.C.A.	262,410.00	299,961.00	347,421.00	
855. Insurance	181,842.00	202,654.00	202,653.00	
860. Rent				
890. Other Expenses			-	
900* **School Lunch & Spec. Milk Program**	49,376.00	49,938.00	49,938.00	2,570.00
1000. **Student-Body Activities**	87,209.00	89,287.14	92,503.00	1,800.00
1100. **Community Activities**	191.00	200.00	200.00	
1200. **Capital Outlay**	XXXX X	XXXX X	XXXX X	XXXX X
1265. Sites	18,495.00	21,685.00	21,000.00	
1266. Buildings	7,625.00	800.00	800.00	
1267. Equipment	44,257.00	43,173.00	13,000.00	
1300. **Debt Service**	XXXX X	XXXX X	XXXX X	XXXX X
1370. Principal of Debt	407,000.00	407,000.00	407,000.00	
1371. Interest on Debt	217,974.00	199,415.00	199,415.00	
1390. Other Debt Service	125.00	125.00	125.00	
1477. **Outgoing Transfer Accounts in State**	XXXX X	XXXX X	XXXX X	XXXX X
1477.1. Tuition				
1477.2. Transportation				
1477.3. Supervisory Union Expenses				
1477.5. Payments into Cap. Res. Funds				
1477.9. Other Expenses				
1478. **Outgoing Transfer Acc'ts. out of State**	XXXX X	XXXX X	XXXX X	XXXX X
1478.1. Tuition	.00	9,226.00	9,226.00	
1478.2. Transportation				
1478.9. Other Expenses				
1479. **Expenditures to other than Pub. Schools**	45,733.00	34,618.00	34,618.00	
1600. **Adult Education**	10,446.00	11,298.00	11,298.00	
1700. **Summer School**	1,500.00	1,500.00	1,500.00	
Contingency Fund				
Deficit Approp				
Supplemental Approp				
1900. Federal Programs	79,012.00	78,032.00	78,032.00	
1900. Voucher Proposal		1,876,956.00	1,876,956.00	
TOTAL APPROPRIATIONS	6,087,553.00	8,419,056.00	8,335,154.00	4,370.00

*FEDERAL & DISTRICT FUNDS

(3) Article 3 - w/o Recommendation
(4) Article 4 - w/o Recommendation

Article 5 Recommended
Article 6 Disapproved

190

SECTION II REVENUES & CREDITS AVAILABLE TO REDUCE SCHOOL TAXES	APPROVED REVENUES 1975-76	ESTIMATED REVENUES SCHOOL BOARD'S BUDGET 1976-77	ESTIMATED REVENUES BUDGET COMMITTEE 1976-77
UNENCUMBERED BALANCE	8,997.19	50,000.00	50,000.00
Revenue from State Sources:	XXXX X	XXXX X	XXXX X
Sweepstakes	132,183.90	70,000.00	70,000.00
Foundation Aid			
School Building Aid	122,924.82	122,924.00	122,924.00
Area Vocational School			
Driver Education	7,000.00	7,000.00	7,000.00
Intellectually Retarded			
Child Benefits	4,256.00	4,000.00	4,000.00
Foster Children	1,000.00	1,000.00	1,000.00
Revenue from Federal Sources:	XXXX X	XXXX X	XXXX X
NDEA Title III Science, Math & Lang			
NDEA Title V Guidance & Testing			
Vocational Education	37,000.00		
National Forest Reserve			
Flood Control			
Sch. Lunch & Special Milk Program	40,000.00	40,000.00	40,000.00
PL815 (Impacted Area Cap. Outlay)			
PL 874 (Impacted Area Cur. Oper.)	3,500.00	4,000.00	4,000.00
PL 89-10 (ESEA)			
Voucher Proposal		2,876,956.00	1,876,956.00
Other: Title 1, Vocational, Title IV	42,000.00	78,032.00	78,032.00
Local Revenue Except Taxes:	XXXX X	XXXX X	XXXX X
Tuition	32,500.00	24,840.00	24,840.00
Trust Fund Income	2,900.00	2,750.00	2,750.00
Rent	23,500.00	30,000.00	30,000.00
Other Revenue from Local Sources Athletics, Driver Tr. Etc	23,760.00	22,120.00	22,120.00
Interest - Royalties		20,000.00	20,000.00
Bonds-Notes & Capital Res. Funds:	XXXX X	XXXX X	XXXX X
Bond or Note Issues			
Withdrawals from Cap. Res. Funds			
TOTAL SCHOOL REVENUES and CREDITS	481,521.91	2,353,622.00	2,353,622.00 *
DISTRICT ASSESSMENT ➡	5,087,553.00	6,065,434.00	5,981,532.00
TOTAL APPROPRIATIONS	5,606,031.09	8,419,056.00	8,335,154.00

*Does not included school share of business profit tax $236,728.00

Detail on items under Capital Outlay in 1976-77 Budget to be financed by bonds, notes and/or withdrawals from capital reserve funds

PURPOSE	AMOUNT

191

ALLENSTOWN SCHOOL DISTRICT WARRANT

THE STATE OF NEW HAMPSHIRE

TO THE INHABITANTS OF THE SCHOOL DISTRICT IN THE TOWN OF ALLENSTOWN IN THE COUNTRY OF MERRIMACK QUALIFIED TO VOTE IN DISTRICT AFFAIRS:

You are hereby notified to meet at the Allenstown Elementary School in said District on the 6th day of March, 1976 at 10 o'clock in the forenoon to act upon the following subjects:

The polls for the election of officers will open at 10 o'clock a.m. and will close at the end of the meeting but not earlier than 3 o'clock p.m.

Consideration of Articles five through sixteen will begin at 1 o'clock p.m. at the Allenstown Elementary School.

1. To choose a Moderator for the coming year.

2. To choose a Clerk for the ensuing year.

3. To choose a member of the School Board for the ensuing three years.

4. To choose a Treasurer for the ensuing year.

5. To determine and appoint the salaries of the School Board and Truant Officer, and fix the compensation of any other officers or agent of the District.

6. To hear the reports of Agents, Auditors, Committees or Officers chosen, and pass any vote relating thereto.

7. To choose Agents, Auditors and Committees in relation to any subject embraced in this warrant.

8. To see if the voters will authorize the School Board to accept on behalf of the District any Federal or State Funds designed to improve educational opportunities. Further, to see if the District will authorize the School Board to make application for such funds and to expend the same for such projects as it may designate.

9. To see if the District will vote to change the purpose of the Capital Reserve Fund from land purchase to site development.

10. To see if the District will vote to authorize the School Board to spend nine thousand five hundred ($9,500.00) dollars from the Capital Reserve Fund for the purpose of constructing and equipping an athletic area. Said funds to be expended, if the School Board so decides, prior to June 30, 1976. Approved by the Budget Committee.

11. To see if the District will vote to adopt the Education Voucher Program for the school year 1976-1977 in accordance with the rules and regulations of the program as they exist and they may from time to time be amended by the State Board of Education: approving individual voucher value as follows for the school year 1976-1977:

Basic Elementary	$972.00
Basic Middle/Jr. High	$0
Basic Secondary	$1,338.00
Special Education Elementary	$1,341.00
Special Education Secondary	$1,846.00
Vocational Education	$1,699.00

raising and appropriating the sum of $406,496.00 to fund the Education Voucher Program; and authorizing the School Board to do all things necessary, including the right to receive and expend all federal and/or state funds available to the District under the program, including also the right to enter into agreements with the State Board of Education in order to implement the program as set forth above. Approved by the Budget Committee.

12. To see if the District will vote to implement an in-service training program for the Allenstown Professional Staff through the auspices of Supervisory Union #53. Approved by the Budget Committee.

13. To see if the Voters of the District will vote to authorize the School Board to accept gifts and donations.

14. To have the election of all the School District officers, starting with the 1977 election, held at the annual town meeting, by separate ballot. (By petition)

192

Budget for Allenstown School District

PURPOSE OF APPROPRIATION	APPROVED BUDGET 1975-76	SCHOOL BOARD'S BUDGET 1976-77	RECOMMENDED 1976-77
Administration			
Salaries	$ 1,280.00	$ 1,280.00	$ 1,280.00
Contracted Services	735.00	1,935.00	1,935.00
Other Expenses	345.00	395.00	395.00
Instruction			
Salaries	278,974.00	$303,574.00	$ 303,574.00
Textbooks	5,745.00	8,287.00	7,500.00
Library & Audiovisual Materials	4,881.00	6,236.00	6,236.00
Teaching Supplies	14,648.00	16,446.00	15,500.00
Contracted Services	2,840.00	5,947.00	5,947.00
Other Expenses	3,672.00	4,129.00	3,529.00
Attendance Services	150.00	150.00	150.00
Health Services	9,832.00	9,884.00	9,884.00
Pupil Transportation	21,010.00	21,550.00	21,550.00
Operation of Plant			
Salaries	15,892.00	16,698.00	16,000.00
Supplies	5,000.00	4,235.00	4,235.00
Contracted Services	1,100.00	1,350.00	1,350.00
Heat	6,000.00	4,835.00	4,835.00
Utilities	5,816.00	7,187.00	7,187.00
Maintenance of Plant	4,405.00	11,754.00	5,254.00
Fixed Charges			
Employee Retirement & F.I.C.A.	23,954.00	28,323.00	28,323.00
Insurance	7,770.00	9,055.00	9,055.00
Rent	30,000.00	30,000.00	30,000.00
School Lunch & Spec. Milk Program	24,759.00	29,442.00	29,442.00
Student-Body Activities	4,077.00	3,630.00	3,630.00
Capital Outlay			
Sites	10,000.00	5,000.00	5,000.00
Equipment	3,714.00	5,990.00	5,000.00
Debt Service			
Principal of Debt	28,000.00	28,000.00	28,000.00
Interest on Debt	18,500.00	17,220.00	17,220.00
Outgoing Transfer Accounts in State			
Tuition	240,000.00	281,580.00	260,000.00
Supervisory Union Expenses	13,813.00	16,281.65	16,281.65
Expenditures to other than Pub. Schools	3,296.00	9,842.00	9,842.00
Summer School	4,044.00	3,903.00	3,903.00
Voucher Project		406,496.00	406,496.00
TOTAL APPROPRIATIONS	$794,332.00	$1,300 434.65	$1,268,533.65

REVENUES & CREDITS AVAILABLE TO REDUCE SCHOOL TAXES	APPROVED REVENUES 1975-76	ESTIMATED REVENUES SCHOOL BOARD'S BUDGET 1976-77	ESTIMATED REVENUES BUDGET COMMITTEE 1976-77
Unencumbered Balance	22,853.22		
Revenue from State Sources:			
Sweepstakes	18,111.92	$ 14,489.54	$ 14,489.54
Foundation Aid	87,484.27	125,545.16	125,545.16
School Building Aid	8,400.00	8,400.00	8,400.00
Aid to Foster Children	700.00	700.00	700.00
Revenue from Federal Sources:			
School Lunch & Special Milk Program	10,000.00	15,000.00	15,000.00
PL 874 (Impacted Area-Cur. Oper.)	2,000.00	2,000.00	2,000.00
Dept. of Resources & Econ. Dev.	5,000.00	5,000.00	5,000.00
Voucher Project		304,317.00	304,317.00
Local Revenue Except Taxes:			
School Lunch (Salaries) Reimb.	1[illegible],259.00	15,330.00	15,330.00
Bonds-Notes & Capital Res. Funds:			
Int. & Bal. of 1972 Bond Issue	59,396.93		
Withdrawals from Cap. Res. Funds	9,500.00		
TOTAL SCHOOL REVENUES and CREDITS	$235,705.34	$490,781.70	$490,781.70
District Assessment	558,626.66	809,852.95	777,751.95
TOTAL APPROPRIATIONS	$794,332.00	$1,300,634.65	$1,268,533.65

*Est. 1976 reimbursement to towrs for loss of tax exempted by 1970 special session and schedule of credits School 1976/7 (31062.00)

Detail on items under Capital Outlay in 1976-77 Budget to be financed by bonds, notes and/or withdrawals from capital reserve funds: